

NORBERT REINHART COMES HOME MICHAEL JORDAN SAYS GOODBYE

CANADA'S

WEEKLY NEWSMAGAZINE

# Maclean's

JANUARY 25, 1999



## WILD WEATHER

From west to east, why it has been so weird

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**Maclean's** CANADA'S WEEKLY NEWSMAGAZINE

# This Week

**16** It was not on the scale of last year's ice storm, or the flooding that ravaged Manitoba and Quebec in recent years. But the storm that paralyzed southern Ontario and parts east, was another chilling reminder of how weather is changing—for the worse.



After 94 days of captivity in the Colombian jungle, Norbert Rينهart returns to Canada—and questions a host of what really happened in the murky world of guerrilla politics.



As the millennium nears, anxious Canadians seek a new approach to political leadership, writes columnist Michael Adams.

**Michael Jordan's** retirement left the National Basketball Association without its greatest player ever—and its biggest draw—as it struggles to recover from labor strife.



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**Abstract**

## Yep, it snowed in Toronto

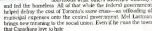


**P**utting down Toronto as a Canadian example starts in the 1830s, an era in the best-case-governor-of-Upper-Canada said the town would make a better human manure than a place for human beings. Margaret Laurence called it "the vile metropolis." Visitors also have pided on the morals. "A beastly place," sniffed the American writer John Dos Passos. Einstein collaborated with Leopold Infeld to lead the on a Saturday "so that I won't have to leave another Sunday in Toronto."

So it wasn't until that Toronto's *Globe*—Globe since again because a force for national reconciliation. At least the city's reaction to a major snowstorm seemed to unite Canadians in their chortling. Leading the pack was the aging Montreal columnist Terry Meagher, the cartoonist known as Aslan, who had the audacity to belittle Torontonians as "wimps." From *Beautiful British Columbia*, apprentice columnist and TV panster Norman Spencer complained that snow in Toronto had taken the real news away.

That the city succumbed to the snowstorm, there was no doubt. Guided by the Chicken Little antics of Mayor Mel ("I'm Pissed!") Larusson, people took flight, while corporations booked all available downtown hotel rooms in a key employee-on-town—and drinking Spanish coffees late into a cold, clear night. By morning, the emergency was over.

But even this native Montrealer had to have some sympathy for the beleaguered mayor. His city took a Montreal-style hit of snow with a budget carved out in the mean-spirited, post-deficit era. Toronto simply did not have the muscle to cope with the snows of a month in the century.



Robert Lewis

### Weather happenings

Although southern Ontario, especially Toronto, got most of the attention last week, the climate was out of sorts across the entire country. As *Maclean's* correspondents reported, saturation rains and mud slides in British Columbia's lower mainland (exceptionally heavy snowfall in Edmonton, followed by a sudden thaw). After cold in Montreal, accompanied by the worst blizzard of the winter. Heavy snow that closed schools across New Brunswick while freezing rain lashed New Scotia.

This week's cover on Canada's Wild Weather is only



The latest of many Maclean's reports on the climate. In December, 1991, we published a special report leading up to the United Nations Earth Summit in Rio de Janeiro. In August, 1996, we reported at length on the torrential floods in Quebec's Saguenay region. May, 1997, brought the great Manitoba flood and January, 1998, the ice storms that paralyzed Quebec and eastern Ontario. And this time, it's snow vehicles on Bay Street.

Mutual's third annual report on the Best and Worst Mutual Funds, scheduled for this week, will appear next week instead. You can blame the weather.



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Backstage



## Anthony Wilson-Smith

### A few basic truths for the right

**T**he political party that can best serve Canada's right wing and lead it to victory in a federal election has several marked characteristics, strengths and weaknesses. It is led by a courtly, apparently assuaging Alberta man who ungainly manner belies his toughness. Its traditional power base is the West, but it has concluded that to beat the Liberals, it must make something of an unholy alliance with Quebec nationalists and soft socialists. In the past two elections, it served as the vehicle as though it might make a breakthrough in Ontario, but fell short. Now, its support seldom budges beyond the mid-tens in polls. Such is life for the Reform party/Progressive Conservatives under Preston Manning/Joe Clark.

Two parties with one battle plan. No wonder Reform and the Tories dislike each other: in all the ways that count in electoral terms, they are so much alike, and so many of their members are so loath to admit it. That is the main reason why the United Alternative meeting and month ahead, in part, is pitting the two parties against each other—despite the fact that Canadians of all political persuasions should have many reasons to wish it well. As a rule, undecided swing party would shun the policy debate, for the left too looks wary in thinking to denigrate whether it is still relevant, and—though no one should hope for too much—might even cause the extreme Liberals from their torpor. But before that happens, all participants in the "United the right" conference need to agree to speak frankly, and acknowledge basic truths about their situation. To start in the process along, here are some political realities that would be better acknowledged than ignored.

**It's easy to oppose, and harder to agree.** A shared dislike for Jean Chrétien's Liberals is what has brought most participants this far—but that won't, in itself, take them further. It simply won't do to propose, as some speakers here, that constitutional arguments over things like special status for Quebec or a single-EU Senate be put off until some unspecified later date. It also means ditching such unwieldy, party-led structures as the idea of founding a new party into five regional federations, which would be sure to eventually self-destruct in internecine warfare. Agreement over such handiness is the sort of thing that either makes a party, or breaks it—and if you can't agree on what you stand for, you should probably consider sitting down.

**Do not worship like idols.** As supposed proof that Quebecers are jumping on the bandwagon, some conference organizers and journalists ignore dismal polling figures that put both parties' support in the province in the single digits. Instead, they like to cite the "prominent Quebecers" involved. The two names mentioned in this

column are Rodrigue Biron and Gerard Lefebvre, described as former cabinet ministers in Parti Quebecois and Liberal provincial governments. True, but Biron has changed parties almost as often as Lester B. Pearson (with much less success) and when he ran for the leadership of the Bloc Quebecois, drew only 13-per-cent support. When Biron led the old, allegedly federalist Union Nationale in 1976, his astonishingly conservative language policy was skewered by PQ stalwart Claude Charbon, who said Biron stood for "two league officials of classical languages"—depending on which language he was speaking. As for Lefebvre, he was fired from Robert Bourassa's cabinet after a short stay. He then became a secessionist exclusively after the PQ's 1994 election win, when it required as foreign delegates-general (as he then was) to sell sovereignty as a condition for keeping their jobs.

That's as good as it gets—meaning, start the revolution without Quebec.

**On the other hand, give appropriate value to your friends in high places.** One reason to take this conference seriously is the well-connected backroom operators involved—despite the fact their ilk is supposed to be in bed closer these days. Among them, Rod Love is a longtime key adviser to Alberta Premier Ralph Klein, Rick Anderson provides the general to the official Ottawa for Preston Manning, and Peter White, once senior adviser to Brian Mulroney, is well wired to Quebec, and to his friend and erstwhile Conrad Black. Combine just part of their bloodlines and experience, and a new party would be an immediate force.

**If either side is seen to lose, neither will win.** Tories will never join a new party that is seen that for the right to revive, both Manning and Clark will eventually have to make an extraordinary gesture—and acknowledge that neither could lead a new party. That would be easier for Manning—who has already said he is prepared to do so if need be—than for Clark, who will not even acknowledge the need to step aside. But if both did so, alliances could form in others who could please both sides. Some obvious choices are Ken, former Alberta Reform MP Stephen Harper, and Alberta Treasurer Stockwell Day Harper, who without even declaring interest, already is backed by influential friends on Bay Street, and Day are both bilingual.

**Finally, the media are not the messenger.** One of the first rules of political reporting is that it is always sales, and easier, to find fault rather than merit in any new vision.

Still, if the end result is a success, reporters will quickly forget all of their doubts and criticisms. Until then, the operating premise for conference attendees to remember is this: don't die, the right stands—and will continue to fall.



# Opening NOTES

Edited by  
YVETTE  
GASKINS

## Blades and Beethoven

Hiseloists, his compadres across—or so it would almost seem in the Ottawa Senators' latest annual revenue guide, *Beethoven: A Hockey Symphony*—for the fan book has broken with the traditional hockey theme and gone classical, giving the visual statistics not only of team players but also of famous composers such as Maurice Ravel and Richard Wagner. "It all started with Albert Yukerman," says Carl Lavigne, the Senators' director of public affairs and creator of the guide, referring to the team's \$11 million donation to Ottawa's National Arts Centre last year. "And I thought, why not continue the connection with the NAC, and benefit both levels of hockey and music?" So far, the response from the players and other NHL teams has been "really positive," says Lavigne.

The musical theme starts with the cover, a photograph of coach Jacques Martin dressed as an orchestra conductor. "It's a fun and lighthearted joke," he had someone from the NAC draw for the shirt," says Lavigne, "just to make sure he was doing it correctly." And inside in a two-page photo spread of acrobatic violinist and NAC orchestra musical director Pinchas Zukerman, in the Senators' dressing room. "It's a hockey nut," says the native of Israel, who has been to three Senators games this season. And maybe a good luck charm: Lavigne points out



Zukerman, guide (left): setting music and hockey

that every time Zukerman attends a game, the team wins. The introduction of hockey and art doesn't end with the book. On Jan. 25, the NAC orchestra is holding a concert called *Pucko and Tux* at the Carol Centre, where the Senators play, with a special appearance by Yukman. "It'll be all-star critics be playing something other than hockey that night?" He hasn't told me," says Lavigne, "but maybe the triangle."

## CAPITAL CONFIDENTIAL

For anyone who (dared) all during Prime Minister Jean Chrétien's post-revolution, political chats with a few journalists are being reported by his biographer, CPAC. The public affairs chief, usually home of nononsense, non-sensational and next to no viewers coverage of all creative, including its upcoming top on schedule with a new series called *Dualite*. CPAC producers promise weekly unscripted encounters between oddity juxtaposed Canadian celebrities starting with a little bit between controversial gay playwright Basil Fraser and former prime minister Kim Campbell. Fraser, the Alberta-born author of stage hits such as *Pure Supremacy*, and Campbell discuss his homosexuality; her current gig as Ottawa's consul general in Los Angeles and their shared policy interests. The former politician does most of the talking, but it is Fraser,

displaying a knack for not letting the dialogue drag, who keeps things moving. When Campbell drives us about her work producing Canadian movies in L.A., Fraser asks, "Do you have partners get them hookers and celebs?" "No, no," Campbell replies, explaining helpfully, "My international budget is \$21,000 a year. That wouldn't get you even half a line of coke, I'm sure." She hastens to add she's never had cocaine. They also discuss Campbell's support



Fraser (left), Campbell: unscripted talk

down Fraser's field, she has co-written a musical called *Moak's Arc* with her boyfriend, Montreal actor-composer Howard Folger. Fraser is merely polite about her creative musings, but seems genuinely enthralled by the 51-year-old Campbell's dinner with 30-year-old Folger, praising Campbell for reversing the Hollywood stereotype of an older female man pursuing the female singer. The offbeat conversation ends on Jan. 24.

## EMPORIUM

A comparative percentage of women and men studying for Master's of diversity degrees nationally, a professor is being conducted at North American theological schools.

	WOMEN	MEN
1972	5	30
1983	17	63
1993	20	75
1995	20	71

SOURCE: ASSOCIATION OF THEOLOGICAL SCHOOLS AND UNIVERSITIES AND LIBRARIES

## GOLDFARB POLL

When it comes to Canadians investing in mutual funds, close to a third of all individuals over the age of 25 are currently making contributions. Fund ownership peaks at 41 per cent, in the 50-to-64 age group. By percentage of 1,600 adults.

	Total	18-24	25-34	35-44	45-54	55+
Invest in mutual funds	30	13	28	34	41	28
Do not invest in mutual funds	70	86	72	66	59	72

SOURCE: GOLDFARB RESEARCH INC.

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John L. Luff  
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## Congratulations to these 1998 Maclean's New-Car Dealers of Excellence.

These distinguished business people are the recipients of the *Maclean's Dealer of Excellence Awards*. *Maclean's* magazine is pleased to congratulate these dealers as representatives of all new-car dealers across the country.

The same year, like *Maclean's* magazine, is an important thread in the fabric of this country. *Maclean's* is very pleased and proud to sponsor the Dealer of Excellence Awards which recognize the special contribution of business people and community leader.

If you are fortunate enough to have a *Maclean's Dealer of Excellence* in your neighborhood, visit him or her for friendly expert advice on the purchase or lease of a new car.

Congratulations to all concerned and best wishes for many successful years ahead.

Maclean's





## DOUBLE TAKE

## Marilyn Bell

**T**oronto schoolgirl Marilyn Bell became a Canadian household name in 1964 after she starred in the world by becoming the first person to successfully swim across Lake Ontario. The world-famous American swimmer Florence Chadwick, 35, had been offered \$250,000 by the Canadian National Endowment if she made it. But Bell, then 16, and her swim coach Gus Rydell, thought it should be a competition with Canadian and five men who after Chadwick dived into the lake at Youngstown, N.Y. on Sept. 8, Bell followed. "I remember wondering why there were so



Now she and her husband spend their winters on Sugarloaf Key, in southern Florida. And the former marathon swimmer, who braved brutal waters and blood-sucking crabs, has a new passion: newswriting.

## POP MOVIES

### Best of the bad guys

**A**ctor Mel Gibson takes a break from springing coqs in the thriller *Payback*. Gibson stars as Porter, a thief whose partner steals his share of cash from a car jacking, takes his wife and then attempts to kill him. Left for dead, Porter survives and then returns, hardened and bested, to track down his double-crosser and his



The movies in Canada ranked according to box office receipts during the seven days that ended on Jan. 31 (in brackets, numbers of screens shown):

- 1 *4 Civil Issues* (140/1)
- 2 *Patch Adams* (179/2)
- 3 *Stepmom* (154/3)
- 4 *Twelve Gravel* (143/4)
- 5 *Stolen Summer* (136/5)
- 6 *A Bright Life* (129/6)
- 7 *The Nanny* (124/7)
- 8 *The Prince of Egypt* (117/8)
- 9 *Enemy of the State* (103/9)
- 10 *Wishy Was Yousie* (100/10)

20 753 680
23 289 100
23 861 769
2785 080
2736 058
6368 739
6451 576
2476 965
2434 639
2376 648

many boats when I got closer to Toronto," recalls Bell, now 68. Chadwick had dropped out of the race during the night, but Ryder didn't tell her, whose main motivation was to beat the Americans. Her bottle ended after almost 23 hours when she struggled ashore in Toronto's harbor.

Two years later, she ended her swimming career after becoming the youngest person to cross the English Channel. In 1957, she married Joe LaSalle, a farmer big game, and they moved to Camden, N.J., where Di Lasalle took civil service job and they raised four children. She became a public-school teacher in the 1960s, but took an early retirement in 1981 because of back pain resulting from the exerted condition of swimming.

Now she and her husband spend their winters on Sugarloaf Key, in southern Florida, and the former marathon swimmer, who braved frigid waters and blood-sucking crabs, has a new passion: needlework.

## LEIGH FENNER

## BEST-SELLERS

## PREFACE

- 1 **The Love of a Good Woman,**  
*Alma Moore* (3)
- 2 **Edith Piaf,**  
*Joe Bonomo* (2)
- 3 **The Million Dances**  
*Bonnie Gray* (5)
- 4 **A Kiss in Pad,**  
*Tom Pugh* (3)
- 5 **Amsterdam,**  
*Joe Bonomo* (2)
- 6 **A Kiss in Pad,**  
*Tom Pugh* (3)
- 7 **The Million Dances**  
*Bonnie Gray* (5)
- 8 **The Million Dances**  
*Bonnie Gray* (5)
- 9 **The Million Dances**  
*Bonnie Gray* (5)
- 10 **The Million Dances**  
*Bonnie Gray* (5)

**NONFICTION**

1. *Stones*, Peter C. Newman (33)
2. *The Dabney*, Peter C. Newman (33)
3. *Blue Frost*, Bruce Chaverson (33)
4. *The Ice Storm*, Michael Ondaatje (33)
5. *The Prefecture and the Madonna*, Steven Waskowitz (33)
6. *Island Berlin*, Michael Ignatieff (33)
7. *The Emancipator*, Zed Nelson (33)
8. *The Ethics of Medical Experiment*, George Annas (34)
9. *In Violet's Shadow*, Fred Thomson (34)
10. *The English*, Jeremy Preussner (34)

J. J. Ponsioen, *Lead author*  
*Consulting Senior Lecturer*

### All-in-one atlas

With 67 colour plates each a double page spread of maps, graphs and text, the *Midle Concord Historical Atlas of Canada* (University of Toronto Press) could seem incongruous. But it is congruous, if you consider the work from which it has been distilled: the three-volume, 200-plate *Midle Concord Historical Atlas of Canada*, published between 1987 and 1993.



## Passages



**DIED:** **Stephen Coontz**, 67, one of the Canadian best-known abstract painters, after longtime heart problems in Okanogan, B.C. Coontz was a member of the Painters Eleven, a group of artists who persuaded Canadians to abstract art in the 1950s. His oil paintings, mostly of the human figure, were sought after by galleries and collectors across North America, and his work hung in New York City's Museum of Modern Art.

**DIED:** Former National Hockey League centre **Baug Wickensholzer**, 37, of cancer in St. Louis. The Regina native was the No. 1 draft choice of the Montreal Canadiens in 1980.

**DEED:** Former federal finance minister **Walter Harris**, 94, who introduced registered retirement savings plans in 1957 in **Mississauga, Ont.**

**DIED:** Desmond Cunningham, 68, co-founder of Gandalf Technologies Inc. and one of a handful of entrepreneurs who created a thriving technology industry in the early 1970s in the Ottawa area, of a heart attack, in Spain.

**DIED:** George Morris, 89, a farmer who helped establish the Canadian beef grading system, which ranks the quality of meat by using set criteria, is Chatham, Ont.

**DIED:** World-record-setting British marathoner **Jim Peters**, 80, of cancer. = (Shaep) Day, England. His 1952 time of two hours, 20 minutes, 42.2 seconds held for six years.

**DEAD:** Naria Reinger MacLenn, 87, a forward for the Edmonton Grads basketball team that won exhibition games at the 1932 Los Angeles Olympics and the 1936 Berlin Olympics, in Edmonton.

**HONORED:** Comedian **Sean Aykroyd**, 65, with the Order of Canada. In Ottawa, Aykroyd was among 89 people appointed or promoted within the order.

**APPOINTED:** Former Newfoundland premier Clyde Wells, 63, as chief justice of the Newfoundland Court of Appeal, to Justice Minister Jean Charest.

## GREECE

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CHOICE

# Wild Weather

**It's mainly because of the humidity, scientists say**



BY CHRIS WOOD

**A**s a storm raged outside, the occasionally ringing alarms were answered at Environment Canada's Toronto offices last Thursday. Like many other workplaces in the city, it was shut down—by the worst series of blizzards ever to strike Toronto. As heavy snow and bitterly cold temperatures swept along a corridor from Windsor, Ont., to the Maritimes, they started traffic, crippled public transportation and stranded thousands of commuters in Canada's largest city. Toronto Mayor Mel Lastman called in the Canadian Forces, in the north-eastern United States, where the storm delivered heavy snow and freezing rain, it established a record low temperature in the state of Maine:  $-48^{\circ}\text{C}$ .

Even so, Canada's first great storm of '99 paled beside other recent examples of nature's fury—last January's ice storm in Quebec, Eastern Ontario and parts of the Maritimes, in particular. In economic and human terms, that

blast, which disrupted electric power supplies to three million people and left more than 25 dead, was far more severe than last week's. Floods that inundated southern Manitoba in the spring of 1997 also produced greater displacement—leaving 28,900 people from their homes and damaging hundreds of properties along the Red River. A year earlier, floods swept through Quebec's Saguenay region, leaving 10 dead and 2,000 families homeless.

Is it just our imaginations, or is the weather really getting worse? And if it is getting worse, just how bad can it get?

The answers, to the extent that science can provide them, are not comforting. For starters, it is not our imagination: the weather is indeed getting wilder. Researchers in the United States and Canada say extreme weather is not only becoming more frequent, it is getting more violent as well. The Ontario Model was typical, they say, of what Canadians can expect as Earth's temperature rises in upward in the decades ahead.

As for how bad it could get, no one knows for sure. Can-

**COVER**



**DEADLY WEATHER:** A sudden, severe storm coasted an 18-vehicle pile-up outside Edmonton last month. In the 1998 flood in Quebec's Saguenay region (right), left: Survival suits, right: Aerial view of victims.



**1998 FLOOD IN QUEBEC:** The Saguenay region (right) left: Survival suits, right: Aerial view of victims.



**EVERY YEAR, A FRESH DISASTER:** The 1997 Montreal flood froze 28,000 ft in thick snow. Montreal street right during the great ice storm of 1998. Not shown: 25 lives.



**1998 FLOOD IN QUEBEC:** The Saguenay region (right) left: Survival suits, right: Aerial view of victims.

puter models designed to simulate Earth's future climate but at startling increases in snow and rainfall along with temperature shifts. But their reliability is unproven. And simulations designed to model large-scale climate changes are remarkably imprecise about what may happen to local weather patterns in the 21st century. Still, there is growing consensus among climate-watchers that worse, possibly far worse, weather lies ahead. As William Hare, head of the Climate Prediction Group at the University of British Columbia, put it: "Too T and more storms, and stronger storms."

The reason for that isn't the heat, it's the humidity. Along with global warming, scientists now forecast what might best be called global wetting. Warmer air is capable of holding more water vapor than cooler air. The warmth also increases the rate at which glaciers and polar ice melt, introducing yet more moisture into the environment. Taken together, the two effects will surely increase the amount of water moving through the atmosphere, leading inevitably to heavier falls of both rain and snow. For Canadians there is an extra jolt in the global weather outlook: The greatest increases in precipitation are forecast to occur in the higher latitudes—those occupied by Canada—and in the winter.

Students of the world's climate have drawn another, sobering conclusion: the impact of global warming is already upon us. One of the world's most sophisticated computer models of Earth's atmosphere is at the Canadian Centre for Climate Modeling and Analysis in Victoria "Changes," its researchers warned in a paper last September, "accelerate from the present into the next century."

In coming decades, their model suggests, Canada, and especially its central regions, can expect storms on the measure of last week's to become increasingly common. The number of extreme low pressure systems—the barometric

engine that drives the most devastating storms—each winter could increase by more than 30 per cent by 2040. Precipitation—snow or ice in the winter and rain at other times—will become dramatically heavier. Other harsh weather patterns will also warm: hard winters in some regions may become as much as 10 degrees hotter. If human causality is the measure, the weather already seems bad enough. The last few years have produced a long list of unusual weather events.

- China's floods last summer, when the Yangtze River burst its banks and displaced millions of people from their homes, were some of the worst in that country's long history.

- The entire world sweltered through record heat last year—the hottest in 500 years.

- In Florida, forest fires during bone-dry heat last May destroyed 200,000 hectares before they were finally brought under control in July. Peruvian forests in Eastern Columbia burned the cost of fighting them from \$40 million to \$200 million.

- A heat wave in the U.S. South in July killed more than 100 people, as temperatures simmered above 38°C for more than two weeks. Other hot spells killed more than 2,500 people in India and spawned rapid breadfires in Australia.

- The most devastating storms to strike Central America in 200 years—Hurricane Mitch—killed an estimated 11,000 people in October. And in the U.S. Midwest, a spate of tornadoes left 129 people dead—more than the toll from the previous three years combined.

Although it is hard to say just how intense the weather may become, researchers at Environment Canada's Victoria centre for climate modeling have some alarming predictions for the next half-century.

- Extremely violent winter storms that previously hap-

pened only once every 30 years will occur every 10 years, as the number of deep low-pressure systems generated each season increases.

- In some regions, including Canada's North, extreme daily maximum temperatures will peak at 10 Celsius degrees above present levels.

- Record rain and snow storms over Canada will deliver nearly 10 per cent more precipitation—and become more frequent. Vancouver's famous winter drizzle will become frequent torrential downpours. Rainfalls in the East will last longer and dump more snow.

The changes, in fact, are already well under way. In a report released last month, the U.S. National Oceanic and Atmospheric Administration said the number of hot waves lasting three days or

longer each summer has jumped 88 per cent between 1948 and 1995. The same agency's National Climatic Data Center reported that extreme snow and rainstorms became 50 per cent more frequent over the last century.

New research at the University of Victoria's School of Earth and Ocean Sciences points for the first time to similar findings for Canada. Graduate student David Stone, who is gathering data on extreme storms, has determined that current rain and snow falls are significantly heavier than those at decades past, especially in Eastern Canada. "Precipitation has been increasing steadily," says the 24-year-old researcher, "in Ontario, Quebec and the Maritimes for the last century, and in the North for about 40 years."

More snow means more avalanches like the one that killed three people in a school gymnasium in Kangiqsuaq, in northern Quebec, on New Year's Day. More winter precipitation will also mean more spring floods. And the presence of more heat and more water in the atmosphere means weather systems will hold more energy, giving them a bigger wallop when they touch down.

Some of the greatest changes will be felt in Central Canada, says Andrew Weaver, an atmospheric scientist at the University of Victoria's earth and ocean sciences school. "One of the misconceptions," he notes, "is that global warming means a slow, steady change in temperature. That is frankly not the issue. What will impact people most is the frequency of extreme events." Toronto's Storm of '99, like Montreal's ice storm of 1998 and Winnipeg's Great Flood, could well turn out to be a mere forerunner to the far greater wrath of the weather to come. □

## A PLACE IN THE SNOW

In many parts of Toronto, there is still nearly enough grass and driveway space to accommodate residents' cars. So when a storm hits, it buries hundreds upon hundreds of vehicles parked by the curb on residential streets. Last week, owners who took the time and trouble to shield their cars out of snowbanks came up with a creative way to lay claim to those clear spots when they drove off. Adopting a method sometimes used to reserve curb space on moving days, they left an assortment of chairs or the pavement or atop snowbanks.

Some attached signs to enhance their message, others left the familiar speak for itself. Critics doubted that an empty chair would deter any desperate would-be parker from



claiming a rare legal parking spot. But the systems seemed to work—in a pinch. Richard Kuznetsov, an aerospace worker living in the city's west end, said when his mother-in-law replaced a vulnerable wooden kitchen chair he was using with a plastic patio chair, "it disappeared within 15 minutes." But the thief took only the chair, not the spot, which Kuznetsov continued to reserve with a cheap folding lawn chair.



**VANCOUVER BLUES:** Buses struggle in 1998 Christmas Eve blizzard.



**BROWND IN THE THROAT:** Soldiers from the Royal Canadian Dragoons dig out downtown Toronto after record snow.

# A STORM TO REMEMBER

BY ANTHONY WILSON-SMITH

**C**OVER in a country that owes so much of its identity to geography and weather, a winter snowstorm would seem the ideal event to unite Canadians. So it was last week, when snowfalls in Toronto hit record levels of accumulation, that clogged streets and caused delays at transit services and businesses. Mayor Mel Lastman—declaring “an act of God”—announced a state of emergency and called in the armed forces. The public reaction in the rest of the country was mixed and un-uniform. In Montreal, *The Gazette’s* Aulais ran a cartoon describing Torontonians as “wimps” for needing the army—and he wasn’t the only one to use that word. Across the country, people phoned in the stations to wonder at high-and-mighty Toronto’s sudden impotence. At Pearson International Airport, Steven Thompson, a former Toronto and Montreal resident now living in New York City, blasted not only the airline but the city in general after his flight home was twice post-

**COVER**

poned—and then pushed back until the following day. “This city is full of complete stumps,” he said. “It snows, get out—what was I doing the subway all about? It’s not that much snow.”

City poor Toronto—or not, since that notion is clearly outdated in sunny Catalonia elsewhere. Never mind that Toronto’s snowfalls do vary; for a change, well above the level of most Canadian cities. By mid-morning the city had received 115 cm, compared with its average of 35.5 cm for all of January. As well, the temperature dropped to 38° C—and, when the effects of a blowing wind were added, reached the equivalent of -42° C. For many people in the rest of Canada, said David Phillips, a senior climatologist with Environment Canada, the issue was clear: “Now the people in Toronto are getting advice of what the rest of us put up with all the time.”

In fact, as the latest storm snowed east, it dropped heavy snow on southern Quebec and the Maritimes. Once again, Montreal was hard-

hit, while its current snowfall total for January is 467 cm, its total for the current month—including 39.6 cm that fell at the end of last week—reached 861 cm, with the month back by half over 503 cm, meanwhile, had received 85 cm—with the temperature dropping to -30° C at one point. In and around both cities many schools were closed, and flights cancelled.

The Atlantic provinces faced similar conditions. In New Brunswick, all schools were closed on top to 25-cm of snow but much of the province. In Nova Scotia, freezing rain forced the closure of all schools outside Halifax and Cape Breton. And conditions could hardly have been more different at the other end of the country in this second winter. Vancouver, which reeled from two consecutive heavy snowfalls around Christmas, experienced highs of 13° C last week. And in Edmonton, where snowfall this winter is already at 114 cm, compared with the usual 127 cm for the whole season, temperatures climbed to 5° C on Thursday.

But the biggest weather-related disruptions were in the southern Ontario region ranging from Windsor through London, Kitchener-Waterloo, Hamilton and the sprawling zone of Toronto and outlying bedroom communities—in all, home to some 7.5 million Canadians. Schools closed, hospitals postponed elective surgery, public transit systems shut down and stores sold out of everything from shoes to space heaters and winter coats. The ever active Lastman at times appeared to be on every radio and television station at once, pleading with companies to allow workers to stay home. He also sent municipal employees around the city to dis-

**HELPING THE MEDICS:** A stolen all-terrain vehicle moves down Yonge Street as the army helps ambulances answer emergency calls.



**Across the country, people struggled with snow, ice, rain, flooding, bitter cold and sudden thaws**



**ICE CASTLE**  
Water freezes as fire  
destroys a Toronto  
apartment house

## Never before had Toronto seen so much snow in so few days

trouble flyers unplugging homeowners to shovel their walkways and dig out fire hydrants.

The fallout extended across Canada and the United States as a Panamanian airport—the country's main air traffic hub—shut down as a function of normal capacity, and many local offices with branches across the country closed or operated with skeleton staffs. With as much as 80 per cent of Canada's rail passing through plants in Toronto, Canada Post's efforts opted to send mail cross-country by truck, resulting in delays of two to three days. Greater companies reported setbacks in shipping and receiving parcels. But while those services suffered, telephone business boomed as snowbound workers checked with their employers or called Environment Canada for weather updates. In Ontario, officials said that people in the 416 and 905 areas in and around Toronto made 42 million calls in a 19-hour period last week—eight million more than in the same period a week earlier.

Despite its doom, no one was enjoying southern Ontario's plight with the ice storm that hit large parts of Quebec, eastern Ontario and some of the Maritimes last January. That storm left millions of people without heat or electricity for up to three weeks, and caused many of them from their homes for most of that period, and was associated with more than two dozen deaths.

For most people in and around Toronto, the storm was more an inconvenience than a cause of actual danger. That proved serious risks

### COVER

for the homeless, the elderly and people with physical disabilities. As conditions deteriorated, the Red Cross opened a temporary shelter in the city's cavernous Miss Peck Air nights on heating-system gases outside the downtown office towers. The city provided red-and-green-plastic blankets, and sales with coats, chocolate bars and bottled water lined one wall. Some of the homeless, grateful to be out of the cruel cold, said they found the presence of soldiers comforting. "I like the discipline and control," said Harriet Teas, 38, who usually lives in abandoned warehouses. She has turned down offers to spend a winter night in other shelters, he said, because "people can get out of control, and there can be incidents." The military's presence in downtown Toronto also provided the most tangible evidence of the scope of the storm. The Royal Canadian Mounted Police from Petawawa, Ont., received orders to go to Toronto on Wednesday afternoon. By early Thursday afternoon, they had moved into the city with more than 5,000 food rations, four kitchen trucks and 120 vehicles supplied with enough fuel for 48 hours of continuous use. Their convoy included four 12-ton trucks, eight-wheelers, mounted personnel carriers called Humvees that can power their way through almost any snowbank. "We've had general purpose training for war," said Lt-Col Pete Akenson, the commanding officer. "But we're also good at plowing snow or pushing cars, helping the elderly—

you name it." Individual soldiers played key roles in helping several thousand grumbling, irritable commuters waiting for a shuttle bus to carry them across a closed portion of the subway line. "Get up against the wall, single file, and keep order," he belted, and they did, some of them standing ramrod straight.

Many problems resulted largely from the fact that the area, one of the southernmost parts of Canada, has become unaccustomed to receiving so much snow. In the 1970s, Toronto averaged about 150 cm a year, but that fell to about 120 cm in the 1980s. No snow fell in most parts of

southern Ontario before the Christmas holidays. Then suddenly, in a two-week period, the region received about two-thirds of its normal total for an entire winter. The onslaught proved too much for the transportation and snow removal equipment to handle.

The provincially operated GO Transit trains that daily bring hundreds of the thousands of commuters in and out of downtown Toronto was overwhelmed. Day after day, the failure of switches that route incoming traffic to the right platforms at the main Toronto terminus, Union Station, left trains stranded for hours while a few hundred riders of their destination—and others backed up along the track behind them. Major snows, such as 26-year-old Leon Mercer of Oakville, who is quoted in the morning about the service, were told there was no guarantee there would be trains to get them home at the end of the day.

There were similar problems with bus, streetcar and subway services operated by the Toronto Transit Commission. Although most of the subway system is underground, parts run on the surface, where drifting snowdrifts interrupted the electrical contact the trains need to operate. Because the so-called third rail that supplies the power is lethally dangerous, TTC employees have to be trained to work in its vicinity. That meant they were only 250 people capable of clearing snow-slugged rails. Said the TTC's harried chief general manager, David Goss, "You can't just take school kids and send them in there with shovels."

On the roads, problems developed when drivers ignored a quickly evolving network of signs. With snowplows protruding into the curb lanes, many drivers parked cars in a way that blocked streetcar lanes. In most cases, streetcars had long waits—with traffic backed up behind them—while bus lanes cleared their paths. But on one occasion group-organized drivers got off the streetcar and filed the following car into the snowbank—to the chagrin of their fellow riders. And although the delays infuriated many commuters, others cheered cheerily. "The snow adventure continues," and 45-year-old school community adviser Janet Kander, "Love it."

At Pearson airport, passengers greeted waves of post-ponements and cancellations with varying degrees of equanimity. Most were impatient. Gus Bawin, 30, in



### WINTER

**WARRIORS:**  
Trooper Cameron  
Knight takes a  
'forced rest' at  
CFO downtown;  
meanwhile, in  
Ottawa (left), Don  
Kreit skis to work  
through the snow



Contributing to these snow stories were Macdonald's senior staff: Bruce McCallum, Susan Or, Don Macdonald, Mark Nadeau, Kimberley Hill, Harvee Garguilo, Sheldene Gervet, Frances Chabot, Colin Miller, John Coates, Adrienne Bell and Joe Power in Toronto; John Connors in Halifax; Luke Power in Ottawa; Brenda Downard in Kingston; Chris Wood in Newmarket and Brian Douglas in Calgary.



# HOME COMING FOR A HERO

Questions dog Norbert Reinhart after 94 days in captivity

BY TOM FEINELL

Norbert Reinhart's family was praying desperately for his release when their daughter Molly stood on a wooden pier in Our Lady of Lourdes Church in downtown Toronto. "I'm going to the mountains," said the blond two-year-old, pointing towards the desert travelling alone her, "to bring my daddy home." Six days later, at 8 a.m. on Jan. 8, the guerrillas who had held Reinhart in their remote jungle hideout in Colombia for 94 days suddenly told him he was going home. Soon after warlike, they drove him down a treacherous mountain path to freedom. Reinhart, who operates a diamond drilling company, became an international hero in October when he walked into the jungle and switched places with one of his employees who had been taken hostage by the guerrillas. When Reinhart finally arrived back in Toronto last week, Molly rushed through the airport and into his arms. "Her parents were awestruck," he said. "I'm home."

The 40-year-old driller, who slept at an open fire on a bed of ferns and subsisted on a steady diet of rice and beans during his captivity, seemed unscathed by his ordeal as he later credited Molly in his arms at his sister's townhouse in downtown Toronto. The family had draped yellow ribbons on the lawn gate outside, and made his Christmas presents and waited to be unwrapped. Reinhart's wife, Casey, 34, her two boys, 10 and 12, and his parents, and his oldest daughter, Jackie, 7, were constantly at his side in the cramped house where dozens of relatives and friends had gathered to welcome him to his former stomping grounds; the family recently moved from Ontario to Raymond, Alta. "Alopecia," said Casey, "certainly makes the heart grow fonder." As they sat down to their first meal together, Reinhart was relieved to find that it did not include a single grain of rice. Later, as he laughed and they playfully picked up a handful of the fresh snow that had fallen on the city, he was obviously overjoyed to be back. "It's beautiful," he said. "I don't think I'll be going back to Colombia. I'll be taking a new direction in my life."

Yet while Reinhart basked in the glow of a hero's welcome, a number of troubling questions involving the murky world of guerrilla politics in Colombia remained unanswered. For one thing, Reinhart told Al Jazeera that he never fully intended to be taken hostage. Instead he had a silent hope that he would

be able to purchase his employee's freedom with \$200,000 in Canadian funds when he met with the guerrillas, and that both men would be set free. But the rebels then grabbed him, and it ultimately took another \$750,000 to buy his own freedom. In the end, said Keith Peters, who managed Reinhart's drilling operation in Colombia, the remote guerrilla became extremely dangerous. "Norbert was not sure they would take him hostage when he went in," said Peters, "but he definitely knew there was that chance." Reinhart still refuses to go into detail about many aspects of his kidnapping, insisting this be simply added out of compassion for a fellow employee. Edward Leonard, of Ottawa, B.C. "Leonard was a diamond driller," said Reinhart. "I know all the diamond drillers in Canada. I just did what I had to do."

Even the payment of the ransom was not straightforward—it first had to be moved through Reinhart's company by a second firm that evidently did not want to be seen dealing directly with the rebels. Reinhart grew cautious when questioned about the money. "I will confirm that there was a ransom paid," said Reinhart. "I'm not 100 per cent clear where all the funds came from."

Reinhart's jungle odyssey began when, Leonard, 60, was taken prisoner on June 24 in remote Santander province in northern Colombia. Leonard had been working for TerraNova Drilling Inc., a firm owned by Reinhart and based in Vancouver, a city about three hours' drive south of the camp where Leonard was captured. TerraNova had been contracted to drill core samples on claims owned by Greystar Resources Ltd. of Vancouver—a small gold mining company.

The guerrillas, members of the violent FARC 30 faction within the Revolutionary Armed Forces of Colombia, known as FARC, have controlled the region for decades and had intended to kidnap a Greystar executive. The Marxist rebels not only wanted to extort money from the company, they wanted to negotiate a deal that would allow them to share in the six million ounces of gold that may eventually be mined at the site. But when no one from Greystar was available, they seized Leonard. "They wanted to negotiate with Greystar over the future of the mine," said Peters, who recently returned to Canada.

Controversy surrounding frontier mining projects was nothing new to Reinhart—he had been following the life of a nomadic diamond driller since 1974, when he first began



Reinhart (right) with wife Casey and daughter Molly at Toronto's Pearson International Airport as they join the murky world of guerrilla politics

It's beautiful. I don't think I'll be going back to

Colombia—I'll be taking a new direction in my life.

working to remote camps from northern Saskatchewan to Peru. He was raised along with his six sisters on a farm near Wakarusa, 250 km northwest of Toronto. His mother, Collette, a Roman Catholic nun in Toronto, said that as he was growing up, his father George made it clear he wanted him to take over the farm.

But coming of age in the 1960s, Reinhart yearned for a more exciting life. After dropping out of the University of Western Ontario without completing his arts degree, he struck out in 1971 to see North America in a late Ford van. Last week, Reinhart's father, waving at the family home near Wakarusa for his son to arrive, seemed surprised that his youngest son was now being hailed as a hero. "I never saw him as being any different than any other boy," said George Reinhart. "We will have to see how it turns out."

Still, one incident that occurred on his trek by van across North America hinted at the bravery that Reinhart would later display when he rescued Leonard. Mike Weller of Vancouver, an old acquaintance from Sacred Heart High School in Wakarusa, was with him on the trip. He says that when they reached Durango, Mexico, Reinhart managed to talk his way onto the set of the movie *Pat Garrett and Billy the Kid*, where the two faced wacko madmen. When another actor

was about to be beaten by gorillas, Weller says Reinhart risked his own safety by taking the man in the van and driving him out of Durango. "He was the type of guy who would take care of his friends," said Weller. "He was always ready to help."

Both men later entered the mining business and Reinhart launched his own diamond drilling company. One contract took him to the northern Saskatchewan town of La Ronge, where he met his wife, Casey, while she was working on the desk at the local hotel. They later married and she often travelled with him. But eventually, with two young children to look after, the wanderlust took its toll, and Reinhart moved his family to Alberta. "My family was in the west," said Casey. "I wanted to be closer to them."

Leonard's capture would soon undermine Casey's attempt to find stability for her family in September. Reinhart insisted he had to do something to help Leonard. After a tense discussion with his wife, he decided to press ahead. Working through intermediaries near Durango, he finally made contact with the guerrillas. Despite strong warnings against his plan by both Canadian diplomats and Colombian officials, Reinhart met the rebels on a remote mountain road on Oct. 4 and headed over the \$100,000 Reinhart said he had





# Raising the stakes over magazines

Washington threatens a trade war

BY JOHN GEDDES

**A**s the Canadian government official to justify the proposed federal law designed to protect Canadian magazine publishers, and the answer often comes to lofty rhetoric about "Canadian voices telling Canadian stories." Aislin Fisher, the second-highest-ranking Canadian trade negotiator, why he is leading the fight against the Canadian law, and he also denies the high ground of "safeguarding a significant principle." The very same principle, he reveals, that his office is defending in its battle to get an end to European Union restrictions on imported bananas. Bananas? Canadians might find the linkage odd, but Fisher says the parallel is obvious. Just as the EU is impeding the free flow of bananas, so Canadian magazine policy threatens to "interfere with trade flows," the deeply U.S. trade representative told McEwen's editor. "This doesn't have anything to do with culture—that is purely a commercial matter."

Such assertions come as no surprise in Ottawa. "Through the American lens, culture is business," Sergio Marchi, the federal trade minister, told McEwen's. "They have massive exports of pop culture around the world, and they want to protect them." The U.S. government served notice last week of its plans to do just that—if Canada pushes ahead with its law designed to keep U.S. publishers from taking Canadian advertising revenue with so-called split-run editions. Fisher met on Jan. 11 in Washington with Canada's ambassador to the United States, Raymond Charbon, the Prime Minister's nephew, to issue a verbal warning of possible retaliation against key Canadian exports, with steel, lumber, wheat and plastics as potential targets. Trade experts said the U.S. government may not be kidding, given the strategic weight it places in export-related exports. "The magazine issue is the more important than its cash value," Dennis Browne, director of the Ottawa-based Centre for Trade Policy and Law, told McEwen's.

The damaging trade war is to be avoided, McEwen's says it is up to the Americans to come forward with proposals for how Canada might adjust its proposed magazine law. But officials in both countries agreed last week there was no sign of any real progress towards a negotiated trade. First a running short of contentious legislation, Bill C-55, could be passed when the House of Commons resumes sitting next month. The act would allow for U.S. publishers to sue Canadian advertisers in split runs of American magazines; special editions sold in Canada that generally include at least one Canadian editorial content. Fisher commands Ottawa's real aim is not to promote Canadian culture at all, but to strengthen powerful Canadian corporations—Multimedia Ventures, Canwest Communications, publisher of magazines like *Canada*, *Weekend* and *TV Guide*, and Toronto-based Rogers Communications Inc., whose

magazines include *Weekend* and *Chic*. Canada's magazine industry lobbyists argue it is the many smaller niche publishers—not Rogers and Telemedia—who would be hit hardest by all revenues lost to split runs.

The confrontation has been a long time coming. In 1997, a World Trade Organization panel struck down the last attempt by Ottawa to maintain its long-standing policy against split runs. That law had slapped an 80-per-cent tax on advertising revenues earned by the Canadian editions of U.S. magazines, a punitive levy prompted by the launch of a Canadian version of *Sports Illustrated*. (The Canadian edition of *Time* and *Reader's Digest*, which existed before the federal government outlawed split runs, have been exempted from Ottawa's attempts to buy new split-run magazines.) Heritage Minister Sheila Copps vowed to come up with a new policy that would pass muster at the WTO, and introduced Bill C-55 last October.

Copps's policy direction was unchanged, but the tack she took to get there was at least somewhat fresh. Instead of directly targeting goods—the split-run magazines themselves—the new law is carefully drafted to outlaw in its scope the sale of advertising space in such publications. That shift in focus, while Canada is obliged by trade treaties to allow free trade in goods, Ottawa has never agreed to give foreigners free access to the Canadian advertising services market. "In normal business discourse, this is a difference without a distinction," admits Anne McCaskill, a former federal trade negotiator who has acted as an adviser to the Canadian Magazine Publishers Association. "But in trade law terms, it's not only a successful distinction, it's a crucial one."

Fisher scoffs at Ottawa's attempt to recast the dispute to suit over services. "The physical goods in this case are magazines," he declares. Since Canadian exports are scarce, Browne says the United States would have "a strong case"—all it opted to take the matter

**Copps, Marchi (right) facing U.S. complaints that measures to protect Canadian publications will interfere with trade in goods.**

back to the WTO. But U.S. officials say that course of action would be too slow-moving. Arguing the case again through the WTO panel process would likely take more than two years. Instead, the United States is considering striking back swiftly under the terms of the North American Free Trade Agreement as well as Bill C-55 to punish Under NAFTA, Washington could claim the right to penalize some Canadian exports—any goods from Ontario, lumber from British Columbia or tuna's wool yarn from Quebec—for the amount it claims U.S. companies are losing by being excluded from the Canadian magazine advertising market. Browne predicts Washington might put the maximum lost revenues at \$300 million—a figure based on the improbably scenario of every U.S. magazine launching a Canadian split-run edition.

Ottawa would almost certainly demand a NAFTA dispute-settlement panel to defend its policy. Canadian government officials are confident they could win, largely by arguing that the advertising services regulated by Bill C-55 are no more covered by NAFTA than

they are by the WTO. But François de Guise, Beaudette, president of Telemedia Publishing and chairman of the Canadian Magazine Publishers Association's political affairs committee, says it is far from clear which side would be victorious. "Anybody who says categorically that it's a slam dunk is an idiot," he said. "All I'm saying is that we have a strong case."

Not all the magazine publishers' advertisers are north of the border. Canadian advertisers are known as the Liberal government for raising to give them a chance to reach Canadian customers through high-profile U.S. magazines adapted for the Canadian market. Ron Lund, president of the Association of Canadian Advertisers, points to the short-lived experiment of *Sports Illustrated* publishing a Canadian edition—he being forced out of business by Ottawa's anti-split-run policy—on having exposed the fundamental weakness of the Canadian magazine publishers' plea for protection. "Basically, the Canadian Magazine Publishers Association was successful in keeping *Sports Illustrated* out," Lund said. "Now, they've had time to get in place an extraordinary magazine. But did they give advertisers that magazine? No they did not."

De Guise Beaudette says split-run editions have too great an advantage in economic scale over made-in-Canada magazines. Since advertising sales in the home U.S. market cover the parent magazine's costs, ads for the split-run Canadian editions could be sold at a low rate. "The Canadian advertising is pure gold," he said. And even without slowing new split runs, U.S. publications already account for about 30 per cent of Canadian magazine sales. "This is the only place in the world where we have this wave of American content coming in—which we're not complaining about," says de Guise Beaudette. "All we're saying is, can we have the little crumbs that are left on the table?"

The U.S. government went no further crumbs at state. Canada is at the forefront of international discussions on how to use similar countries can shield themselves from what is increasingly dubbed the U.S. "monoculture." Last summer, Copps convinced a global summit of culture ministers—with no invitation extended to Washington—to discuss shared insights about the seductive powers of U.S. mass media and publications. Marchi is proposing that the G20-plus countries set up a committee next year aimed at setting cultural rules on how any country can protect its cultural industries from U.S. dominance without running afoul of global trade obligations. And Canada is not willing for some new international consensus after reconsidering its array of existing cultural protections. A film industry task force is about to report to Copps on ways to bolster Canadian filmmaking, and a private-sector advisory group is expected to deliver a report to Marchi next month on culture and trade.

Fisher professes to sympathize with Canadian cultural concerns—up to a point. "I personally respect the cultural heritage of Canada," he says. "It's a Treason, and Treason have a great pride in their own Texas culture." It is the sort of remark meant to sound magnanimous. When it comes to matters he regards as pure commerce, though, like the rights of American companies to export books or magazines, he says it is all business. So, it seems, is the government he represents. □



# A senator in court

## Eric Bertson's fraud trial begins in Regina

Only a decade ago, many considered him the most powerful man in Saskatchewan, and in Saskatchewan. Eric Bertson sat in a Regina courtroom last week, those days seemed very far away. The busy, 57-year-old Tory lawyer or broker, who served as deputy premier for most of the 1980s and as former Saskatchewan premier Grant Devine, spent much of the week hunched in front of a courtroom television monitor as his personal and corporate lawyers were flustered up and down the screen. The documents depicted of the Crown's effort to log out a paper trail which, it alleges, shows that Bertson defrauded taxpayers by submitting \$68,055 worth of false expense claims between 1987 and 1990. As prosecutor Sharon Pruchit and Chief Justice's Bench Justice Frank Devine. "The Crown intends to prove that the accused entered into a pattern of fraudulent activities to obtain money for personal gain."

Bertson is also charged with concealing a breach of trust by diverting \$125,000 from the publicly funded Conservative caucus to the Conservative party in 1987. The senator, who has pleaded not guilty to both charges, is one of the last—but, by far, the most prominent—in a long string of Saskatchewan Tories brought before the courts over the past three years. In what is easily the largest political scandal in the province's history, 31 Tories—including 12 cabinet ministers—have been charged with defrauding taxpayers of more than \$800,000 between 1987 and 1991 through false expense claims and misuse of public funds. Of those charged, 13 were convicted, four acquitted and one had the charges against him dismissed for lack of evidence. Three other cases, including Bertson's, are still before the courts.

The seeds of the Saskatchewan scandal were planted in 1987 when Devine's caucus agreed to pool, into a central account, 25 per cent of the communications allowances that MLAs are entitled to receive from the legislature. The Crown has alleged—and in many cases proven—that many members of the Devine government at signed illegitimate expense allowance claims that were submitted to the legislature along with invoices from their staff companies set up by John Scrba, then the caucus communications director. After the legislature's finance officer approved the accounts, cheques were issued to the company companies. That money was

then funnelled back to several caucus members and Scrba in the form of cash and merchandise.

The RCMP were first alerted to the fraud in July, 1991—shortly before Ray Romano's New Democrats ousted the Conservatives—when legislative clerk Gwen Rempel reported some suspicious invoices. The next big break came in April, 1993, when a Regina bank that was tracing a former location opened an unexplained safety

deposit to a halfway house after serving eight months.

Bertson was among the last to be charged—on January, 1995—and his case closed an unexcused 56. The senator was, after all, something of a legend in Saskatchewan politics. First elected in 1975, he played a pivotal role in rebuilding the then moribund Tories and in recruiting Devine, who led the party to a landslide victory in 1982 over Allan Rock's New Democrats. In addition to taking on cabinet duties, Bertson was appointed deputy premier and house leader. He was widely viewed as the one who made day-to-day life of the province, brooking the able Devine to be the government's public politician. Devine, now a consultant in Regina, has never been linked to the fraud and has repeatedly denied any knowledge of it.

A former and former railway man, Bertson proved to be a gregarious and often witty

appeared on one of a posse of now Tory senators charged with ushering in the Goods and Services Tax. Bertson later served as his party's deputy leader in the Senate, a position he relinquished after being charged with fraud and breach of trust. He remains a member of the upper chamber.

During the first week of what was expected to be a three-week trial, the Crown introduced a witness of banking, corporate and Saskatchewan department of finance records to bolster its allegation that Bertson misused public funds. St. John's, the RCMP, had investigated into the corruption scandal, testified that, among other transactions, Bertson submitted a \$5,000 expense claim on his MIA communications allowance in June, 1987. The claim was supported by an invoice from Duse Advertising—a now-defunct company that was one of the Devine government's privately ad agencies. Bertson would be liable to pay the bill and was asking the legislature to reimburse him directly. But Leitch said his search of the records revealed no evidence of a \$5,000 payment from Bertson to Duse.

Similarly, the Crown alleges that in July, 1989, Bertson submitted two false expense claims totalling \$7,570, which were supported by invoices from Airwaves Advertising, a company operated out of the Tory caucus office by Scrba. Leitch testified that Scrba told him during a 1995 interview that he had paid out thousands of dollars to a number of MLAs, including Bertson. But during cross-examination of Leitch, Bertson's lawyer, Mike Megaw, argued that the RCMP officer had accepted the word of Scrba, who at that point was in the middle of a preliminary hearing on the charges against him.

"Bertson with him in the middle of a 60-million fraud trial and you don't think he ought to be looking for a break from the RCMP?" asked Megaw. "No," replied Leitch. "No," said Megaw sharply. "How long have you been a member of the RCMP?" Responded Leitch. "Twenty-five years."

Both Scrba and McLachlan were expected to testify as the Crown continues to present evidence this week. Bertson—who has declared all public comments on the charges against him—has hinted that he may take the stand when the defence gets its turn. But whatever verdict is rendered in this latest trial, the series of protracted criminal cases involving so many former members of the Devine government has already claimed one clear victory beyond the court room: it is to distance themselves from the scandal that is now their most memorable legacy, members of the Saskatchewan Conservative party voted at the end of 1997 to reinstate their organization inactive for the next two presidential elections.

**ERIAN HERRIGMAN in Regina**



Bertson with wife Jean, a provincial scandal that has plagued the Conservative party

deposit box and discovered \$150,000 in \$2,000 bills. Police later tracked down a second safety deposit box containing another \$60,000. Both boxes were returned to the RCMP. The Crown has alleged—and in many cases proven—that many members of the Devine government at signed illegitimate expense allowance claims that were submitted to the legislature along with invoices from their staff companies set up by John Scrba, then the caucus communications director. After the legislature's finance officer approved the accounts, cheques were issued to the company companies. That money was

then funnelled back to several caucus members and Scrba in the form of cash and merchandise. The RCMP were first alerted to the fraud in July, 1991—shortly before Ray Romano's New Democrats ousted the Conservatives—when legislative clerk Gwen Rempel reported some suspicious invoices. The next big break came in April, 1993, when a Regina bank that was tracing a former location opened an unexplained safety

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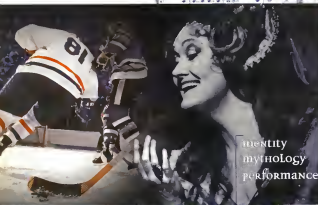
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## GASPING FOR BREATH

Statistics Canada reported that the prevalence of asthma among children under 15 rose to 11.2 per cent in 1994-1995. In 1978-1979, the incidence rate was just 2.5 per cent. Although StatsCan did not offer any particular cause for the quadrupling in the rate, past studies have pointed to poor indoor air quality due to energy-efficient, airtight homes that trap mould, chemical fumes, dust mites and cigarette smoke. Previously, outdoor air quality was suspected, although studies have since shown similar asthma rates among children in both urban and rural environments.

## HORMONE REJECTED

After more than nine years of research, Health Canada said it will not approve the use of bovine growth hormone. The agency said the drug, used to boost milk production, is harmful to dairy cattle. The controversial biogenetically hormone, manufactured by Monsanto Co. of St. Louis, Mo., is approved for use in the United States. Monsanto said it would continue its efforts to get the hormone cleared for use in Canada.

## AIR CRASH

A DC-8 cargo plane clipped a mountain and crashed into a residential area of Maple Island, one of the Gulf Islands off the coast of British Columbia, killing both pilot and the co-pilot. The aircraft, operated by Kluane Flightwest for Portknox Coast Ltd., was en route from Vancouver to Victoria.

## REGAN ACQUITTALS STANDS

Crown prosecutors in Nova Scotia announced they will not appeal last month's acquittal of former premier Donald Regan on eight sexual-assault charges, including rape. Regan, however, still faces a trial on a charge of indecent assault. There is also an appeal under way of a judge's decision to try new other charges against Regan.

## OILPATCH ARRESTS

The RCMP arrested Wayne Ludwig St. and Richard Bonetto in connection with a recent wave of oilpatch vandalism in northern Alberta. Last September, both men were freed for lack of evidence after being charged with mischief and endangering life.

## B.C. ruling provokes outrage

In a controversial decision, a B.C. Supreme Court judge ruled that possessing child pornography should not be a crime since it contravenes charter provisions guaranteeing freedom of thought, belief, opinion and expression. While acknowledging that child pornography is harmful, Justice Duncan Shaw ruled that the section of the Criminal Code was "declared void." Shaw's decision came in a case against John Sharpe, 65, a retired Vancouver city planner charged with possessing child pornography, who defends what he calls "intergenerational sex."



Sharpe at home: defends what he calls 'intergenerational sex'

"There is no evidence that the production of child pornography will be significantly reduced if simple possession is made a crime." He went on to say that a person's belongings are "no co-extension of that person's essential self."

The decision becomes troubling in B.C. courts—a lot that outrages Gary Rosenfeld, whose son was killed by serial killer Clifford Chase. Said Rosenfeld, head of the Ottawa-based group Victims of Violence: "We don't have proof that the pornography leads to the crime, but there's no question about it: there's a relationship between pornography and crimes against children."

Photo: G. YERDI

Photo: G. YERDI

## LABOUR Health watch

Federal-provincial relations remained in the spotlight as Ottawa and the provinces jockeyed over a proposed health-care accord. The provinces want Ottawa to release \$2.2 billion that has been cut from federal transfer payments. Ottawa, however, is unwilling to do so, arguing that before it delivers any money to the provinces, they must sign a declaration that, among other things, assures the money goes to health care staff, and not related costs such as increased wages for health-care workers. Last week, federal officials in charge Prime Minister Jean Chrétien, went so far as to suggest that any deal for any new health-care funds in the forthcoming budget of the provinces do not sign an accord. Ottawa previously indicated that health would be a major component of the budget.

## Vote-rigging scandal

Toronto Solicitor General Gary Filmon, appeared before the inquiry looking into a vote-rigging scandal dating from the 1993 provincial election. In his testimony, Solicitor General Filmon took full responsibility for the scheme, which involved \$4,000 being diverted from Conservative coffers to finance the campaigns of independent candidates in three ridings in an effort to split the NDP vote. (Filmon's Tories, who currently hold 31 seats in the 57-seat legislature, lost all three ridings.) But in his testimony, Solicitor General Filmon implicated former treasury board secretary John Benson in the scandal.

Solicitor General Filmon testified that just before the election, he had advised Benson, who retired in December, of the situation, and asked him to replace the money and make evidence of the payment—the cancelled cheque and stub—"disappear." The \$4,000 was transferred to the campaign by Solicitor General Filmon's private secretary to a consulting company run by Tory insider Allan Aitken. Both Aitken and Benson have yet to testify, but Aitken last week told reporters that he "probably" passed money on to two of the independent candidates. Benson has previously acknowledged he helped replace the funds to aid Solicitor General Filmon, without knowing details of the scheme. The cancelled cheque was never destroyed, and has been turned over to the inquiry.

## BATTLE LINES

In a year of few points in Washington, the lowest may have come on the morning of the Saturday before Christmas. American missiles were pouring into Iraq. The tag Republican had been exposed as an adulterer and was shaking off the national stage. And the House of Representatives was about to impeach the President. In short, a mess. Then DeLay, the harshest of the hardline Republicans, a Texas known as Capitol Hill as the Hammer, was so moved by the message that his eyes brimmed with empathetic tears and he wept philosophically. The debate over what to do about Bill Clinton's philandering and deception, he told the House, was not the pertinent question. It appeared to be. Rather, "it was about honour and decency and integrity and the truth—everything that we honour in this country." And not only that. "It is also a debate about realism versus absolute truth."

It was, perhaps, unusually direct thinking for a man whose occupation before politics was as an economist. But for many who have followed the twists and turns of the Monica Lewinsky scandal, DeLay had hit on something profound. It was a year ago that Thursday that the story broke across the front page of *The Washington Post*—tarring Lewinsky, Linda Tripp and the rest of the sorry crew of scandal-characterized national figures. What had once been the fantasy of hardened Clinton haters—impeachment—turned into astonishing reality. Months before the scandal broke, the Christian Coalition was distributing "Viral-aid" signs warning of bumper stickers. Last week, there was no need for imagination: all 100 United States senators sat in witness as prosecutors from the House of Representatives methodically laid out the case for removing the errant President from office for covering up his affair with the White House intern.

The Lewinsky saga was a juicy tale, to be sure, but what did it all mean? The answer became clearer as the battle lines were drawn last year—conservatives lining up with independent counsel Robert Starr, liberals joining in the defense of their Whitehouse President. Gradually a consensus emerged, this, the deep divisions congealed, was the the latest round in the so-called culture war, the struggle over values and symbols that has racked American society for three decades. Time and again, both sides evoked the perches of generational touchstones—Vietnam, Watergate and that most divisive decade, the 1960s. For liberals, it was about beating back an assault from the menacing right, about defending tolerance against the Puritan streak that has ever run through American society. For conservatives, it was about affirming eternal values against an ungoverned spirit of the 1960s, when all that was traditional and

ANDREW PHILLIPS  
IN WASHINGTON



U.S. troops in Vietnam, jumping out of the Woodstock festival in 1968 (left), a struggle over values and symbols that has racked American society for three decades



For some, impeachment is an old fight



When enraged in 1974, flanked by wife Pat, Clinton, says a right-winger, in 'war room'

Now, he goes before a grand jury and faces with his accusers over the meaning of the words "alone" and "in." He drives conservative auto—the way Richard Nixon provoked liberals to distraction. It wasn't just his policies, his very manner attracted them. David Keene, chairman of the American Conservative Union, calls Clinton "war Nixon." Just as liberals knew that Nixon was bad, so we know in our bones that Clinton is bad. There is nothing honest about him.

Other conservatives took up the theme in the Lewinsky scandal groundswell last year. When Starr released his report in September, accusing Clinton of lying and obstructing justice, *The Wall Street Journal* editorials that Starr was "not just prosecuting Bill Clinton, he was prosecuting the entire culture that gave birth to Bill Clinton represents" Robert Bork, the ultra-conservative jurist, supported that conviction. Clinton would help to "talk the fox most spent of the Stolen" Bork, who at the 1996 race, *Slashing Through*, championed the view that America is in the thrall of a radical individualism that breeds what he calls "Vice-proximity"—the kind of lawless behaviour, presumably, that Clinton and Lewinsky are intensely engaged in.

On the other side of the shouting match, liberals were just as eager to endorse the notion that they were engaged in a Super-Cause. Allen Derdikson, the Harvard University lawyer best known for his part in the defence of O. J. Simpson, kept to Clinton's side with a book entitled *Saved*. McCarthyism, Starr's pursuit of Clinton's sexual misdeeds, he argued, was in the tradition of Senator Joseph McCarthy, who used sexual investigations as part of his persecution of Communists and liberals in the early 1950s. Both men, he wrote, "investigated the private sexual behaviour of public figures in order to influence their public actions."

Clinton's most loyal defenders were found among feminists and black Democrats, who managed to compare his plight to those of persecuted minorities. Maxine Waters, a congresswoman from Los Angeles, evoked the memory of her "three successors" who she argued that Clinton was being hounded by Republicans for punishing the old elites of the 1960s and refusing to concede anything that was still called "the Establishment." "Bill Clinton is guilty of not being owned by the good of southern boys, or the good

good was under siege. In DeLay's words, "relativism" was locked in mortal combat with "absolute truth."

It is a tempting thesis—and it at least gave meaning to a year otherwise cluttered by the tiny details of Bill and Monica's sordid little adventure. And there was ample evidence for it. When the impeachment battle was at its most bitter late last year, the divisions on the wider society were in full display in a bizarre effort in the hearing room where members of the House Judiciary committee went at each other. On one side were 23 Republicans—all white, all but one male, mostly buttoned-down, hard-on-glass southern Christians. On the other sat 16 Democrats—five black, four women, most from the Midwest or Northeast.

And listening to both sides provided plenty of fuel for the notion that the United States is still riven by the "culture wars." Far right-wingers, at times, Clinton has been better a symbol of everything they think went wrong in the States—does answer protests to indulgence in recreational drugs and sex. For them, he will always be the slippery draft-dodger and traitor-prince. Then, he managed to avoid Vietnam while dropping his second child, he was called "amirgiant," but "didn't salute."





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## World NOTES

### KILLING IN KOSOVO

Western officials warned that the uneasy ceasefire in the Serbian province of Kosovo, in place since October, was threatened after at least 15 ethnic Albanian guerrillas were killed in two clashes with Serbian forces. A British monitor and his translator were injured. NATO commander Gen. Wesley Clark said full-scale fighting is likely to resume within months unless a political solution is found. A five-day truce, violence was narrowly averted when international mediators secured the release of eight Yugoslav soldiers held by Albanian guerrillas.

### AN ISRAELI WATERGATE?

Thieves broke into the Washington offices of Greenberg Quinlan Rosenthal Inc., a consulting firm advising the Israeli election campaign of Ehud Barak, the Labour Party leader is seen as the strongest opponent of Prime Minister Benjamin Netanyahu. The burglars took a laptop computer and records relating to the Barak campaign. A Netanyahu aide denied involvement.

### SWEATSHOP LAWSUIT

Eighteen U.S. clothing retailers and manufacturers—including The Gap, Wal-Mart, Sears and Torrey Pines—were slapped with a billion-dollar lawsuit alleging that they are liable for the mistreatment of about 25,000 paid and present employees who work in facilities in Sripur, a Pacific island possession of the United States. The suit alleges that foreign contractors have young Asian women to the island with promises of good jobs, but force them to work 12-hour days at low wages, housed in squalid conditions.

### CANADIAN REPORTER HURT

Ken Stewart, West Africa bureau chief for The Associated Press, was declared out of danger after a bullet removed from his liver in a London hospital. The 32-year-old Toronto journalist was shot in the head while reporting on the civil war in Sierra Leone.

### NEW GERMANS

New German Chancellor Gerhard Schröder plans to allow foreigners resident for eight years to apply for dual citizenship. Conservatives would resist the law, stating it would attract more immigrants but would not succeed in increasing the country's 7.4 million resident foreigners, many of whom were born in the country.



### \$3 MILLION BASEBALL:

Philip Oswery, a research scientist from Washington University in St. Louis, stands by the baseball he caught from Mark McGwire's record-setting 19th home run. The ball was sold to an anonymous bidder at an auction at New York City's Madison Square Garden for a stunning \$3.05 million (U.S.), of which Oswery will get \$2.7 million. He removed the ball amid a scum in the university's box at Busch Stadium in St. Louis on Sept. 27. The home run, hit against the Montreal Expos, was McGwire's last of his epic season, in which he broke Roger Maris's 1961 record of 61 home runs.

## A U.S.-Russian nuclear tiff

At the end of the Cold War returned to relations between Russia and the United States after Washington imposed economic penalties against three Russian entities and threatened further sanctions in a dispute over Moscow's nuclear ties with Iran. U.S. officials believe the Moscow Chemical Technology, the Moscow Aviation Institute, and the Scientific Research and Design Institute of Power and Technology are helping Iran develop nuclear missiles and weapons. Russia's foreign ministry rejected the American suspicion as "groundless" and said it was "absolutely unacceptable to use the language of sanctions and pressure with us."

The dispute began four years ago when Russia signed a contract with the Iranian

government to build a nuclear reactor at a power plant in southern Iran. The Americans believe the project, said to be 60 per cent complete, is actually being used to supply Iran with the materials and technical expertise needed to construct nuclear weapons. The White House last week prohibited American aid or commercial links with the three institutes. While that was mainly a symbolic gesture, Washington also threatened to limit launches of American satellites on Russian rockets, a move that could cost cash-strapped Moscow \$400 million this year. Relations between the two countries were already strained over Russia's strong opposition to the recent U.S. bombing campaign against Iraq.

## France wants to end Iraq's oil embargo

France parted company with the United States and Britain by proposing that the UN Security Council lift the oil embargo imposed on Iraq following the 1990 Gulf War. The French suggested that a new UN team could monitor Baghdad's military capabilities by watching for signs of an arms buildup, rather than monitoring the intrusions investigations that led Iraq to expel UN arms inspectors. Iraq is currently allowed to export about 2.5 million barrels of petroleum a day—near its pre-war production of 3.15 million—under a UN-sponsored oil-for-food arrangement. The French proposal was seen as the opening salvo in a new campaign to gradually lift sanctions against Iraq, which could end companies keen to end the world's second-largest reserves. Washington, however, reiterated that Baghdad must fulfill disarmament requirements first.

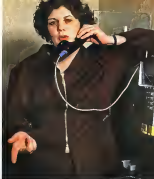
# A SHOCK DOWN THE LINE

**Bell's plan to quit the operator service puts 2,400 jobs on hold**

BY DARCY JENISH

Chris King expected to spend the afternoon talking wages and benefits when she sat down for a trans-management bargaining session at a downtown Montreal hotel on Jan. 31. King, a Bell Canada operator from Windsor, Ont., was part of a 35-member team negotiating a new contract for 2,400 unskilled operators employed by the Montreal-based telephone communications plant. Bargaining began last October and continued until Dec. 18, when the two sides broke for Christmas. According to King, Bell negotiators told the union team that they would have an offer on wages and benefits ready when negotiations resumed in the new year. Instead, they returned with a handwritten assurance sheet. Bell intends to sell its operator workforce division to Telcel, Asia-based Excel Global Services, which provides local and long-distance information, among other things, to telephone companies in five countries. "It was sort of like a bad dream," recalls King, a Bell employee for 22 years. "It's hard to explain how I felt."

Others registered their reactions immediately. Many members of the largely female workforce, who handle 411 and 911 calls, were upset as Bell managers at 55 offices throughout Ontario and Quebec broke the news to them. While company spokesmen insisted the jobs would remain in Canada, they later acknowledged that some offices will be closed and that pay will be cut. Union members say wages, which currently average \$19.50 per hour, could be reduced by as much as 40 per cent, and claim they may be stripped of seniority and benefits. The deal may also jeopardize a potential equity settlement that the workers have been attempting to negotiate with 303 Labour leaders were furious. Canadian Labour Congress president Bob White described Bell as "atrocious, irresponsible and just plain greedy," particularly since its profit rose \$570 million in the first nine months of 1995, compared with \$552 million for all of 1994.



King: the phone company's demands during contract discussions was 'sort of like a bad dream'

And the Communications, Energy and Paperworkers Union of Canada, which represents the operators, is planning a campaign to mobilize public opinion against Bell. The union's resolve was bolstered by an overnight opinion poll of 600 people that found 80 per cent opposed Bell's plan. "They've decided war on these operators and people are offended," says CEP vice-president Richard Long. But Bell president John McDonald insists there are valid business reasons for selling the operator service. He told McDonald's it is a high-cost and money-losing operation, although the company has not released specific figures. The decision to sell is part of a larger corporate transition that began in 1993, when the federal government ended Bell's decades-old monopoly on long-distance services. Since then, two aggressive competitors, AT&T Canada and Sprint Canada, have swamped up close to 40 per cent of the business. "Consumers want the absolute best service for the best price," says McDonald. "They vote with their pocketbooks. If you're not cost competitive, you're not going to be in the marketplace too long."

Bell has responded by trying to become leaner and more entrepreneurial. McDonald said that several divisions, including those responsible for real estate, inside installations, and the creation of telephone poles and lines, have been laid off and turned into wheel-by-wheel subsidiaries. In the process, Bell's general shrink 25 per cent, from 32,900 to 30,300 between 1992 and 1995, while total spending on wages and salaries fell to \$2.2 billion annually from \$2.5 billion during the same period. "The past several years have been stressful on employees, no question," says McDonald. "But I think every employee recognizes we have to change."

The operators, who handle up to 1,000 calls each per work shift, or use every 30 to 25 seconds, say they have adjusted to the competitive pressures. Their numbers have been cut in half since the early 1990s, and union leaders insist that, contrary to the company's claims, the division is profitable. Gary Goffey, a Toronto-based CEP national representative, says the company asked the union in early 1997 to accept wage and benefit reductions, and also indicated that the division might be sold unless costs were reduced. Instead, the two sides formed a joint committee to examine the operation. Critics say a financial review showed the division was making money—something the company now denies. "We've known for a long time that Bell was coming after the operators," he says. "But when



I heard the news my first reaction was, 'those bastard bastards'." Bell provided few details about how the sale, scheduled to close by March 31, will affect the employees. The company said operators will be offered jobs in a new firm, controlled by Excel Global Services. Workers may be forced to move because, according to union estimates, the 55 call centres could be reduced to as few as five large offices. Excel Global Services was no more forthcoming. An appointed handling media inquiries and senior executives were not granting later-

## ON THE CUTTING EDGE OF CHANGE

It was founded in 1895 to make phones. And in the early years, Northern Telecom Ltd.—known then as Northern Electric—turned its manufacturing expertise to radios, TVs, even Hammond organs. But last week, the Brampton, Ont.-based company, which is now called Nortel Networks, said goodbye to part of its manufacturing heritage and announced that it will cut out 8,000 employees worldwide. Factory workers are increasingly being cut out by companies such as Nortel, as they switch their focus from making hardware to building high-speed, Internet-based communications networks, a service that offers much higher profits. "Manufacturing is less and less a part of what we do," CEO John Roth told Maclean's last week as his executive jet flew over California. "More and more, what we get paid for is the software we develop and the networks we put together."



Roth at Nortel headquarters: shifting focus

So, over the next three years, Nortel (which is 41 per cent owned by Bell Canada's parent company, Montreal-based BCE Inc.) will sell off or close some of its 24 manufacturing plants around the world, reducing its workforce of 80,000 by about 10 per cent. Once completed, the move is expected to save Nortel up to \$450 million a year, and comes only four months after it eliminated 3,900 workers, including 600 in Ontario. Roth said the company's six Canadian manufacturing plants could come under the knife this time,

but workers are waiting anxiously for the word on which of the 24 plants will close. Nortel employs 24,000 people in Canada, but 80 per cent are in research and development, engineering and marketing—and it is turning hundreds more for research and engineering positions. The company says it will promote some factory jobs through retraining. Nortel may attempt to sell some of its plants to companies making firms such as Toronto-based Calsonic Inc. and Nissan. Out-based JSC Fiat Inc. have grown rapidly as more telecom giants turn the work of making and assembling parts over to suppliers, who can often do it more cheaply. "This is the way manufacturing is being done now—it's being outsourced," says Donald Chisholm, an industry analyst with Levisque, Simoeson, Gresham Inc. in Montreal. It makes good sense financially. But that is not comfort for workers who find themselves on the losing end of the communications revolution.

JOHN SENEFF



# A theatrical battle

## Drabinsky lambastes fraud charges over Livent

BY ANDREW CLARK

Gerth Drabinsky stalked his head down and drove forward into the crush of microphone-waving reporters at Toronto's hotel. When he finally reached the podium, he lit his lighter and then launched into a dramatic rebuke of a series of U.S. criminal and civil charges that had just been laid against him. Drabinsky denied instructing the staff of finance production company Livent Inc. to conduct illegal accounting practices. He denounced Livent's new owners and characterized the charges as "ill-conceived." On an intimate level, Canada's most high-profile theatre impresario said he is now living "a personal tragedy."

The co-ordinated moves of the U.S. authorities had been anticipated for weeks. Ever since Livent filed for bankruptcy protection in November, rumours of criminal charges against Drabinsky and Livent's co-founders, Myron Gottlieb, had floated around Toronto and New York City. On Jan. 12, the U.S. attorney for the southern district of New York unveiled Drabinsky and Gottlieb on one count each of conspiracy and 15 counts each of securities fraud.

The indictment filed by the U.S. attorney accuses Drabinsky and Gottlieb of ordering Livent accounting staff to falsify financial statements and evade expenses. It goes on to accuse Livent's co-founders and their staff of conspiring Livent's financial statements in almost every quarter since 1996 in order

to keep Livent afloat. Two past Livent officials, former senior vice-president of finance Gordon Edelman and former chief financial officer Mevin Menzies, pleaded guilty three weeks ago to one count each of violating U.S. securities laws. Edelman admitted to conspiring with Drabinsky and Gottlieb to

*Drabinsky (foreground) with lawyer Grossman: revealing he and his partner will be indicted*



conceal fraud. Menzies acknowledged making false statements about Livent's financial results. The Washington-based Securities and Exchange Commission also announced criminal charges against two former senior officials, including the Livent co-founders. The SEC accuses the line of "engaging in a multifaceted and pervasive fraud spanning eight years from 1996 to 1998."

One of the allegations raised in the SEC report is that in 1998 Drabinsky instructed

Edelman to change a \$29-million loss into a \$2-million profit. After the meeting, according to testimony made to the SEC, Edelman said: "I have to keep all the facts straight. I have to know what lies I'm telling myself so people [have management]. I've said so many lies to different people I have to make sure they all make sense." The SEC says that Drabinsky and Gottlieb "operated a kickback scheme with two Livent vendors designed to siphon millions directly into their own pockets," and cites a total of \$7 million. The SEC also accused the former Livent officials of not just Drabinsky and Gottlieb's insider trading.

Drabinsky stressed that neither the criminal nor civil charges against him have been proved—and prosecute himself as an innocent Canadian up against American might. "The financial repercussions to lower governments are already against me," he said. "This prosecution and deliberate action has caused considerable pain to me and was deliberately designed to damage my reputation and to inflict a heavy toll on my personal resources." Drabinsky accused Livent's new management of preventing the U.S. staff efforts to "take quick, ill-considered action against us." SEC associate director Paul Gottlieb says that while charges were laid, they followed an extensive and independent investigation.

The U.S. investigations began in August, shortly after Drabinsky relinquished control of Livent to a team of American executives led by Hollywood agent Michael Onda and New York investment banker Ray Purnell. Livent's new management said it had discovered accounting irregularities and succeeded Drabinsky and Gottlieb. In November, Livent filed for bankruptcy protection in both Canada and the United States. Livent filed a \$225-million civil suit against Drabinsky and Gottlieb, who in turn launched a counter-suit against the new executives.

Drabinsky and Gottlieb are now waging the question of whether to fight extradition proceedings. The U.S. attorney's office has promised to pursue vigorously. Edward Grossman, Drabinsky's high-profile lawyer, says his client will decide whether to stand up by late January. Whether or not he agrees to go, Drabinsky showed no signs of backing down. "The final act of this tragedy has yet to be played out," Drabinsky's partner in crime declared. "And when it is, Myron Gottlieb and I have complete confidence that we will be vindicated." □

Ross Laver



# The death of nationalism

Made Barlow, where were you when we needed you? In her crusade to protect Canada's economic sovereignty and cultural identity, the following action spent most of 1997 and 1998 rising against the proposed Multilateral Agreement on Investment, an international pact designed to lower barriers to foreign investment. Doing her best Cheyenne Little imitation, Barlow warned that the MAI would strip Canada of its ability to regulate foreign investments.

The MAI negotiators eventually agreed in Geneva, killing victims to a lack of political action. The 39 member nations of the Organisation for Economic Co-operation and Development (OECD). All along, however, a far more important threat to Canadian sovereignty was lurking in the background. Increasingly, it could eventually trigger an economic earthquake every bit as significant as the upheaval caused by the introduction of Canada's U.S. free trade in 1988. Barlow's other big battles.

We're talking about this month's introduction of the euro, Europe's new single currency—soon by name as the boldest experiment in the history of world finance.

The reason the euro represents a challenge to this country's sovereignty—at least as defined by traditional nationalists—is that it doesn't just accelerate the world's trend towards borderless commerce. By abandoning their respective currencies, Germany, France, Italy and the eight other European nations that joined the monetary union have given up the right to manage government deficits by printing more money and to artificially boost exports by devaluing their currencies. If the experiment succeeds, it's likely only a matter of time before Europe's leaders sit down to discuss the logical next step in the continent's long journey towards integration: political union.

Already, the introduction of the euro has put pressure on European firms to cut costs,

streamline operations and boost shareholder returns. Businesses first in the post-1992 era saw national markets are scrambling to build a competitive presence. Many large enterprises, forced to rethink their strategies, are hoping to merge their way to even greater success. Without currency barriers, there is no longer anywhere to hide—and no reason not to strive for greater efficiency and much more.

The phasing out of national currencies also means that, for the first time ever, com-



Parisians celebrate the euro. Canada could learn from Europe's experience

panies will be able to spend and raise money in other countries without fear that exchange fluctuations will interfere with their plans. Europe will become more attractive place to invest, drawing in capital from around the world.

Of course, not everyone is enthusiastic about monetary union. Britain, Sweden and Denmark chose not to participate, preferring to risk and see how the new currency performs. Across Europe, a vocal minority has warned that the new European Central Bank will exert too much power over national economies.

What's interesting, however, is how quickly some of these euro-skepticism are turning into euro-buckers.

The second-guessing is most noticeable in Britain. People who formerly looked upon monetary union as a plot to undermine na-

tional sovereignty have evolved to the reality that a common currency will ultimately mean stronger growth, increased job creation and lower prices.

Others' immediate concern is that Britain could soon lose its status as Europe's largest equity and foreign exchange market. "I think there's a concern that we might end up as a sideshow unless we get involved with the rest of Europe," Justin Vignall, Stewart, head of stock trading for Barclays Bank PLC in London, told *The Wall Street Journal*.

Another major quibble by the newspaper and Britain should avoid the single currency as soon as possible. Before "We turn into the Canals of Europe—marginalized and left on the outside of a giant trading bloc."

Oh.

Take it or leave it, however, that assumed trade has a point. For all the talk this decade about restructuring and improved competitiveness, Canada's economy still lags behind the rest of the world. In the global arena, the gap has been getting wider. The

federal industry department estimates that Canadian-owned manufacturers are now only about 70 per cent as productive as their U.S. competitors, down from 80 per cent in 1985. Canada, the OECD says, is the only country among the world's seven largest industrialized nations to have experienced a decline in productivity in the 1990s. How have we managed to weather that shocking loss of international competitiveness? Easy—by allowing our currency to sink to previously unthinkable levels. Twenty-five years ago, the Canadian dollar was worth 51¢ U.S. Today, it's struggling to stay above 65 cents. As a country, we've resorted to the same

disposition strategy that companies such as Enron's use to coax reluctant shoppers into their stores: if the world won't buy our goods, we simply devalue the dollar and make our merchandise more attractive in a national key sale. That way, we can ignore the problems that get us into this mess in the first place: enormously high taxes, social programs that reward people for not working, and industries that cry out for government help as the first sign of international competition.

Europe, which is already in the midst of the same problem, has now taken a radical step to rebuild the economy for the 21st century. It may be years before Canadians are ready to follow suit by embracing a common North American currency, but there's little doubt that the day is coming. Our future prosperity may depend on it, whatever the economic nationalists say.

**TOBACCO MEGADEAL**

British American Tobacco, the world's second-largest cigarette company, said it will buy the fourth-largest, R.J. Reaves International Inc. for about \$11.5 billion. But the all-stock deal could miss antitrust concerns in Canada, where the merged company would control about 30 per cent of the market. Analysts said Ottawa may force BAT to sell some of its Canadian holdings.

**NISSAN SEEKS PARTNER**

Nissan Motor Co. expressed interest in closer ties with German-American auto giant DaimlerChrysler AG. A Japanese press report quoted Nissan president Yoshikazu Hasegawa as saying he would seriously consider any proposal by DaimlerChrysler to acquire part ownership of the debt-ridden Japanese carmaker. Nissan signed last summer to build a light truck with Daimler beginning in 2002 as the first step toward broader co-operation.

**FORTUNE UNDER FIRE**

The Ontario Securities Commission accused Toronto-based Infirity Investment Corp. and its sister company, Fortune Financial Corp., of not acting in the best interests of their clients. Fortune manages more than \$7 billion in private investments, but some former clients have complained that Fortune did not adequately supervise its salespeople. A settlement requiring by Fortune and OSC hearings will be commenced at a future OSC hearing.

**HOUDAY SALES MIXED**

Holiday retail sales were about five per cent higher than last year, but heavy discounting eroded much of the profit, analysts said. Sears Canada Inc. led national department stores, claiming double-digit sales growth over December 1997. Sales at Eaton's and The Bay were flat or down, analysts said. Wal-Mart said it had its strongest season in its five-year history in Canada.

**APPLE IN OVERDRIVE**

Apple Computer Inc. said its profits in the quarter ending Dec. 30 were from triple to \$223 million, thanks to brisk sales of its popular iMac computer. The company has sold 131,000 iMacs since they went on sale last August. They were the top-selling desktop machine in retail stores in November. The company said it is selling 30 per cent of iMacs to last-year PC buyers.

**Brazilians on the brink**

Brazil's economy was embroiled with the resignation of its central bank president and the subsequent devaluation of its currency, the real. The turmoil rocked world markets, pushing the Canadian dollar lower and bringing the financial crisis that has enveloped Asia and Russia a step closer to North America. Canada did little trading with Brazil, but a general hemisphere downturn could devastate demand for the natural resources that still make up a large part of the Canadian export mix. President Jacques Chirac may step on to television to reassure investors, creditors and the public. "The government will honor all its domestic and foreign contracts, always," he said. "Risks are under to be followed."

Brazil took steps to bail the financial crisis by refusing to group up its currency, revaluing the glaciado to defend the real in world markets. The stock market is soaring in Brazil and



Investors in São Paulo fighting a financial crisis

around the world, since a lower currency is expected to attract investment. Jimmy investors have pulled \$61.5 billion out of the country since signs of crisis emerged last August, dropping reserves to around \$5.5 billion. International lenders came up with a \$5.4-billion aid package in November, but it hinges on Brazil's ability to cut its deficit by \$35.7 billion.

compared with \$3.2 billion in 1997. That pulled Brazil's GNP down to 1996 levels. The bank of Montreal's chairman, Matthew Barrett, the Bank of Montreal's chairman. He took home \$4 million in 1996, 6 per cent more than in 1997. At Flood, president of the Canadian Imperial Bank of Commerce, was paid a salary of \$1 million, but received a bonus of \$600,000 because of the CIBC's poor profit performance. The Bank of Nova Scotia and Toronto Dominion Bank had yet to report their top executives' pay for 1998.

**Payday for bankers**

The Royal Bank paid the head of its investment house about \$5.5 million last year, more than any Canadian banker whose pay package has been disclosed. Profits at BOC Dominion Securities Inc. dropped 31.3 per cent in 1998, but CEO Anthony Pell saw his total compensation drop by only 1.6 per cent from the year before. His boss, Royal Bank chairman John Cleghorn, made \$2.2 million last year.

**FINANCIAL OUTLOOK**

Global economic growth will fuel this year to its lowest level in two decades, the Bank of Nova Scotia predicts. Economic growth in Asia, Russia and Latin America, and the resulting drop in demand for many products, will continue to erode corporate profits and job creation, and will help keep interest rates low, the bank said. In Canada, economic growth will average less than two per cent in 1999, about half a percentage point behind the U.S. economy. Canada's slower growth was reflected in declining sales of existing homes last year. House resales dropped

4.0 per cent from a record of more than 225,000 homes sold the previous year. The average price of an existing home also slipped, by 1.1 per cent. **HOUSE PRICES** Percentage change in the average price of a new home from November 1997 to November 1998



Not having had much luck trying to bomb Saddam Hussein into submission, the Americans switched targets last week. Instead of attempting to tame the dictator of the mad dog of Baghdad, the state department decided that a more common target in the American way of life was Heritage Minister Sheila Copps, and let go with both barrels.

**Big mistake**

One of the few Canadian ministers who actually stands for something, Copps's dogmatism makes the Iraq dictator seem as tame as Andy Scott in a barnyard. She is a believer, a street fighter with a sense of mission, and she has the reputation for anger and nerves in a better cause. Washington's threat that it will try to shut down the Canadian economy unless Copps allows *Spots Abstracts* to distribute a rightist riot in this country is typical of the bullying tactics that undermine even Washington's best friends. It was the late Robert Thompson, whom he was national leader of the Social Credit party, who defied the wishes of American-Canadian relations who he learned out during 1963 Commemorative that the Americans are our best friends whether we like it or not.

Personally, I've always admired and liked Americans as individuals, but collectively, they stay the hell out of us. Typical of their bully tactics, they have threatened to shut down the Canadian economy unless we allow *Spots Abstracts* to distribute a rightist riot in this country. It was the late Robert Thompson, whom he was national leader of the Social Credit party, who defied the wishes of American-Canadian relations who he learned out during 1963 Commemorative that the Americans are our best friends whether we like it or not.

To the Americans, culture is a commodity. Their most successful and most profitable export, just as English has become the global language. America's film, music and sports have been exported to a universal global market. In Canada, culture is a commodity. It has been planned since 1930. The issue really dates back to 1945 when Time magazine first launched its so-called Canadian edition, but it is less about magazines than it is about the cultural differences that divide the north from the rest of the North American continent.

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# Peter C. Newman

## In praise of Sheila Copps, street fighter

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## Her magazine policy shows she is one of the few Chrétien ministers who actually does stand for something

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# Diane Francis

## One man's optimism for Russia's future

**M**uch is written about Russia's current woes, such as the collapse of the ruble and the proliferation of Russian gangsters who, some police agencies estimate, control most of Russia's economy. The ruble collapse followed Russia's default on its debts despite billions of dollars' worth of aid from the International Monetary Fund. Such a currency calamity will make it difficult, if not impossible, for Russian governments to borrow or to attract foreign investment for ages. Worse than that, not only were foreign investors burned by the default and collapse but so was Russia's middle class, many of whom lost their savings as Russian banks that went bust as a result.

While that is depressing, the country is not doomed, according to Canada's foremost business expert on Russia, George Cohen, senior chairman of McDonald's Restaurants of Canada Ltd. and McDonald's in Russia. Russians are still better off than ever before, Cohen told me recently. He travels there several times each year and knows just about everyone, from President Boris Yeltsin and former Soviet leader Mikhail Gorbachev to prominent business people.

Cohen brought McDonald's to Canada from the United States in the late '80s, then took the business to the then-Soviet Union, opening the first McDonald's in Moscow in 1990. Now, there are more than 1,000 McDonald's in Canada and 10 in Russia. Says Cohen: "Moscow is bustling and bustling. You wouldn't believe the bazaars that have been built or the restaurants. They're just as full as before, but they're still there. I don't think there will be political unrest or that they'll go back to communism. The train has left the station and they are going through some tough travelling."

Bringing benefits now enjoyed by the Russians should not be underestimated in terms of what it means to the average person's lifestyle. Millions travel at will. There are no more visas or government passes. "That's great," says Cohen, "that millions of Russians now are travelling to other parts of the world. Isn't it nice that there are now elections. We largely they were suppressed and have a lot of nuclear weapons and there's disarmament now and they aren't making those weapons at all."

Many Russians are employed by foreign companies such as McDonald's and are catching on to the efficiencies and work ethic of the West. Observes Cohen: "It's fascinating that many of McDonald's 6,500 employees in Russia are the sole wage earner for their families. You have a 25-year-old supporting his mother and father. Mother might be a schoolteacher and father a doctor, but the main wage earner is a McDonald's employee."

In fact, Cohen says his store managers make more money than Yeltsin. "On a tour of our operations in 1999," Cohen recalls,

"When one of our store managers asked, 'How long have you been here?' He then asked me, 'What does she earn?' I said, 'She started as a crew, and he got paid as a manager. I didn't want the history. What does she earn?' I told him, and he said, 'Tin the president of the country and she earns more than me.' And I said, 'But she's got a very tough job.'"

On a recent trip to Moscow, Cohen dined with a crew person, only to find out that the young man was a rocket scientist. The young man was excited at the career possibilities at the restaurant chain and thoroughly uninterested in his chosen career where pay-cheques were non-existent.

Cohen believes the criminal element will be brought to heel as people begin to demand law and order candidates in future elections. Headlines exaggerate the situation, he says. "The media spends too much time thinking about the Mafia stuff," says Cohen. "It was unheard of before and makes for interesting reading, but we can't be obsessed with that darker side of the place only. There is a brighter side."

McDonald's, for one, continues to flourish. "I was there six or seven times last year and we're doing fine," he says. "We've been in there for a long time. We survive because McDonald's always adapts to the changing economic climate. We survived Israel, we survived Japan and now Russia."

With its ruble profits, McDonald's has built three large office buildings in and around Moscow, which are rented out to foreign multinationals and individuals. The fast-food chain still plans to open 15 more Russian restaurants this year, somewhat scaled down from previous expansion plans of 30 openings in 1999. "I look at it as one step forward, two backwards during that time," says Cohen. "If you're in for the long haul and you're ruble-based and want to take control of the marketplace, which we do, then we're going to weather this thing. We'll fighting our best."

"McDonald's is in 114 countries all over the world. In Russia, we are careful about raising our prices. We have to get a few local things on the menu, which we're working on. We're still profitable and making millions of dollars here."

Cohen may simply be a cockeyed optimist, but his enthusiasm about Russia helped him overcome corporate obstacles. The Moscow opening made world headlines and became the most high profile example of change under way there. "It's demanding for Russian after being a world power, to beg for support and help," he says. "There's an expression, 'Don't give as a fish, but teach us how to fish.' That's what we fish ourselves."

"We have to be patient, too. Russia is not even close to capitalism. It's not her culture yet. But it's better than it was 10 years ago for the average person."

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# LOOKING FOR LEADERSHIP



As the millennium approaches, Canadians find themselves anxious about the future and disoriented with social, economic and technological change. They seek new directions, renewed purpose and a fresh approach to leadership. Michael Adams, 52, is president of Envision Research Group, a company he cofounded while still at University of Toronto student in 1970. He is also the author of *Sex in the Snow: Canadian Social Values at the End of the Millennium*, published in 1997.

BY MICHAEL ADAMS

Among the more than 80 social trends that my colleagues and I monitor is one we call "apocalyptic anxiety"—the fear that the world is teetering towards some major modelled disaster. This anxiety has grown over the past years, with a sense of impending doom extending from coast to coast. It is especially powerful among the more vulnerable segments of Canadian society, starting with the residents of Atlantic Canada dependent on Ottawa's diminishing bounty. But it is also strong among the hemisphere's laid-back denizens of British Columbia's Vancouver, now in recession, or in supposedly strong Ontario, whose *Flowers* may fear that a declining Canadian dollar and a volatile stock market will wipe out all the paper wealth they had been counting on for their retirement.

The notable exception to apocalyptic anxiety in Quebec is in spite of economic difficulties over the past decade. Quebecers seem to feel better able to navigate the complexity and uncertainty of contemporary life. They have rejected the church's threat of everlasting damnation; they survived past years' ice storms, and they have discounted the economic sword of Dioscorus which, they are warned, will descend on them if they dare to assert sovereignty. Quebecers, in fact, feel a growing confidence that whatever happens, they will survive. Forty-two per cent of Quebecers tell our researchers that they "do not feel uncomfortable living with the uncertainties and the unexpected in life today"—up from 34 per cent a year ago—a huge increase in one year.

But despite Quebecers' recent lift of opti-

mism, 47 per cent of Canadians agree with the statement, "The world is heading for disaster; within the next 10 or 20 years there will be a major upheaval." This apocalyptic anxiety is aggravated by the fact that we are not sure how disaster will unfold: will there be ecological, technological, financial, social, natural, or even religious disaster? For a population more focused on personal control than ever before, the sense of amorphous but impending doom can lead to paranoia or panic. Many of us fear that every thing may soon be lost, that the whole system may collapse, and take with it our country, our social order, our way of life, and even our country.

Many believe that if Quebec leaves, the rest of us will sooner or later be absorbed into the United States. It's only a matter of time. The implications for our government leadership are these: stay calm, stay the course, and don't be alarmist, because the population is on edge and more susceptible to panic. Those who design products and services will want to focus on safety and security, to reassure fearful customers and anxious investors. Big money will be made in the world of retirement where our growing apocalyptic anxiety causes extraordinary solutions for disaster monies. Look at three of 1998's big budget takeovers: Amgen, Glaxo, and Enbridge. They are just—yes at the time about environmental bodies that nearly destroy the planet, with the vast majority of people believing, having no control over their situation. For class-conscious neo-conservatives, there was *Timex*, in which the synthetic lower classes are prey to a largely smaller upper class just begging to be used. The *X-Files* continues to have serious call shots among conspiracy theorists in the States.



Scenes from Armageddon: disaster movies play to people's sense of "apocalyptic anxiety."

flow-X and baby boomer segments. Things are going on in the shadows over which we have no control. Even Canadian film makers are tapping into this sense of apocalyptic anxiety. *Last Night* by Dan McDuff portrays a world on its last day before complete devastation by some sort of environmental catastrophe.

Although the year 2000 may be an arbitrary date in Western Christianity, it has a powerful mythic appeal in popular culture. For most of history, humans have had to live with the fear of impending doom, whether it was disease, famine or some other catastrophe. Today

these traditional fears, while still potent, are fading to share the spotlight with less dramatic but still painful anxieties such as fear of job loss, stress in the workplace, anxious children, a lonely and boring adolescence or the dissolution of our country.

Leaders in such an era have three work out for them. One: nobody trusts anybody or is comfortable in positions of authority as in well-documented decline. Politicians in the new millennium will have to

face the fact that Canadians want more personal control over more aspects of their lives. This is not to say there is no role for government. On the contrary, Canadians, especially those with the most binding-edge values who are called to action at Envision, have labelled "New Ageism," increasingly use the proper role of government as regulating corporate power, so that individuals have increased control.

Many of those born before the end of the Second World War work for a restoration of traditional values and institutions. Boomers, those born between the end of the war and

1964, would still like to reform them. But for Gen-Xers, those born after 1964, traditional institutions and values are pretty well irrelevant.

Yos would think, given the way boomers have rejected the church and transformed the family and the workplace, that they would have clear something revolutionary to our anachronistic patriarchal institutions. Why do we still have a foreign Queen as our head of state, an unelected Senate, political patronage, and a party system that has seen power shift from ordinary MPs and even cabinet members to senior bureaucrats and the Prime

As the millennium nears, Canadians seek greater control over their own lives



# People

Edited by  
TANYA DAVIES

## Goodbye to the game

**M**aybe Michael Jordan knew it would be his last shot. With his Chicago Bulls training by one point in the dying seconds of Game 6 of last June's NBA championship series, his Airness shook off a Utah Jazz defender with a couple of crack shots, pulled up 17 feet from the basket and launched a high, arcing jumper. The shot, to no one's surprise, hit nothing but air—Jordan is as famous for buzzer-beating heroics as he is for his scoring dunks. But instead of pumping his fist in celebration and leaping into the air, as he had on other series-winning occasions, Jordan held his position, his shooting hand suspended at the point of his follow-through. Then, showing no emotion, he turned and jaywalked to the locker-room door. Was the high heel a signal? At his retirement news conference last week

Jordan taking his last basket to win the 1998 championship; a typical two-player (right) shot



in Chicago, Jordan said no "It turned out to look like I was posing for all the photographers," he explained, smiling his enigmatic smile. "But that was not the case."

What a loss to the NBA. The league rebuilt itself from near-bankruptcy in the early 1980s by working first to top players—including Larry Bird and Magic Johnson—and with each armistice, attendance and TV revenues climbed higher. But now the NBA may have to adjust its player-driven marketing scheme. Jordan wasn't just the best player of his time; he was the best of all time. And any successors, at least for awhile, will never measure Jordan's dunk or his fluidness, his serenity, his pensive half eyes, his could make anyone that left the best defenders flustered and he could score down just about anywhere on the court. There is a reason his company logo is a silhouette of his spread-eagled form suspended in midair, ready to shoot the ball into the air. MJair was his of it—was as if his shoes were filled with helium.

Not content with just offensive glory, Jordan became the best defender too. Finally, he made a crucial shot under his own basket, dropping Utah star Karl Malone, just before sealing the winning shot last June. And opponents say his great-

est 59.9 per cent sure this was the end—after all, he had "retired" in 1993 and pursued a baseball career, yet came back. But this time it is different. Jordan is departing at the top of his trade, when he is still, unquestionably, the dominant player in the game. Last year, he was the league's top scorer for the 12th time, was named the NBA's straight all-star team and won his sixth playoff MVP award. And his jersey was a way, a gift to his fans. No one wanted to see a Jordan who could not fly, who could not make the effortless jumper to win the game. "I've accomplished everything I could as an individual right now," he said. "I don't have the mental challenge I've had in the past to proceed."

That was, he had little to come back to. His longtime coach, Phil Jackson, quit the Bulls after last season's playoffs, and there seemed little chance Chicago could maintain its winning ways even if Jordan returned. Just week, the team had only one starter from the championship team under contract for the coming season. And even if he had not retired, Jordan would have been sidelined for two months of an already shortened season by surgery to repair a tear in his shooting hand. None of those considerations made any difference, he says. "I chose to walk away knowing I can still play the game," Jordan said. "And that's exactly how I've all ways wanted my career to end."

His Airness is not without fans. In the 1982 book *The Jordan Rules*, author Sam Smith wrote that Jordan could be cruel and overbearing in his dealings with teammates who, in his estimation, failed to measure up. Then there were revelations about his gambling—one former associate claimed Jordan lost hundreds of thousands of dollars betting on the golf course. And sure Chicagoans criticized his lack of support for local causes in poor neighborhoods despite the fact that he earned an estimated \$80 million in each of the past two seasons in salary and off-court endorsements.

But last August his doubts, which is why, though given the hard work, Jordan will remain a high-flying pitchman. According to a study conducted by *Fortune* magazine last year, Jordan's career generated \$10 billion worth of ticket sales, TV revenues and movie earnings he starred in the 1996 hit *Space Jam* and sales of various licensed products. Nike executives now hope he will spend more time promoting the Jordan brand of athletic shoes and apparel, which already has annual sales of more than \$500 million. At the same time, however, where he was named by his wife of 13 years, Juanita, he is unlikely to devote most of his free time to his three children, Jeffrey, 7, Marcus, 5, and Jasmine, 3. Not this time, though, an avid golfer, he is entered in the pro-am portion of the Bob Hope Chrysler Classic in Palm Springs, Calif.

There was plenty of pressure to play one more season—from the league, other players and his agent. His on-court persona would be the perfect antidote to the poisonous atmosphere surrounding the league after the latest disaster. But more than a player and owners look greedy and persistent. He ultimately said no, although his high-profile on/off—was front-page news from London and Milan to Tokyo and Beijing—prompted media outlets to recount his brilliance and replay the old highlights. And those magical clips, more than any ad campaign, demonstrated the joy of the game.



Jordan and Juanita: the place to spend more time with their kids—and golf

air weapon was a strength of mind that enabled him to remain focused under the pressure of the big game. "He has no discernible weakness," remarked his old-time Bulls coach. "He's the best, without question," just as important in the image-driven NBA was that his Airness looked great. He was handsome, graceful, and he had that great smile.

All through the recent player lockout, speculators debated whether Jordan might return for another season, and many insisted he could net up to the \$23 million (U.S.) salary for the 2000 season. With that thinking. Since turning professional in 1984, Jordan had led the once-lazy Bulls to six championships in eight seasons, boosted the NBA's playoff TV ratings by more than 30 per cent during those Bulls runs, and sent sponsors' sales soaring on the back of Air Jordan. Since that Nike sneaker stock price fell by more than five per cent in one day just on the rumor of Jordan's return, and opposing teams such as the Vancouver Grizzlies and Toronto Raptors can no longer expect sellouts and doubled attendance when the Bulls come to town. No wonder optimism clings to Jordan's claim last week that he was

JAMES BEACON

# Gauging the cost of a scandal

The Olympic rings are tainted, but they still have value

It was getting ugly for the International Olympic Committee. Every day, investigators delving into a month-old bribery scandal discovered more rot in the bidding process that resulted in Salt Lake City winning the right to host the 2002 Winter Games. In addition to college scholarships and medical care for IOC members and their relatives, overzealous Utah bidders allegedly enticed visitor delegates with cash, real estate deals and even "concerts" for visiting dignitaries. It did not stop there. Although the IOC's inquiry into the affair is focused solely on Salt Lake, officials in cities that bid for other Games claim IOC members demanded bribes from them, too. And while organizers of Toronto's pitch for the 1996 Games insist they did nothing wrong, a former Ontario government official alleges the group did help to find a job for the husband of Finnish delegate Pirkko Hagström. The IOC's most damaging scandal ever was getting worse, not better, and that was bad news for an organization trying to re-sign some 11 world-wide sponsors—for \$54 million each—over a four-year period.

Surprisingly, though, current and potential sponsors may not be that difficult to woo. A Maclean's survey has revealed that while the widening scandal has assuredly tarnished the multi-colored rings—the IOC's emblem and chief source of revenue—it has not stopped them of their efforts. Canadian representatives of so-called "elite" sports (the 12 multinational companies, such as Peugeot, Kodak and Xerox, that pay the IOC quadruple fees to use the rings to promote their products worldwide—say they are monitoring the situation and awaiting the results from the investigations. But most add that they intend to continue their association. Only one, IBM, says it is dropping its sponsorship after the 2000 Games in Sydney, Australia, and the company announced that decision—due to the prohibitive cost of supplying information technology to the Games—long before the controversy in Salt Lake erupted. Locally, firms that deal with the Canadian Olympic Association say the scandal has



Atlanta sponsors support for the Games remains strong

not diminished their commitments. "We are happy with our relationship with the COA, and we fully intend to be involved in Salt Lake City," says Dave Rife, director of marketing for General Mills. "It is important for companies like ours to support Canadian athletes."

Those are brave words considering the millions at stake and the damning details emanating from four separate investigations into the 2002 bid by the IOC, the U.S. Olympic Committee, the U.S. Justice Dept. and the Salt Lake committee's own ethics panel. Among other things, auditors examining the committee's credit card records found payments for escort services, and Utah officials admitted to giving up to \$75,000 (U.S.) to individual delegates and members for IOC member Jean-Claude Gimpel of the Republic of the Congo to receive \$60,000 in goods from a land deal. Gimpel, a strong supporter of IOC presi-

dent Juan Antonio Samaranch, had company at the trough: his organization has sent letters demanding explanations from 15 members implicated in the scandal, and Samaranch promised to expel any member found guilty of accepting bribes. Dick Pound, the Montreal-based head of the IOC's internal inquiry, admitted that the preliminary findings were worse than he had expected, and spent what was supposed to be a holiday in Barbados last week writing a report that he will submit to the Olympic board on Jan. 29.

Samaranch refused to step down last week, saying he still had the support of the IOC board. But Salt Lake has already started cleaning house—the top five executives of the 2002 group resigned on Jan. 8, and the ongoing committee suspended the \$25,000-a-month consulting fee paid to Tom Welch, who headed the city's bid to host the Games until he was forced to step down in 1997 after being charged with sexual abuse. Welch admits his group agreed to IOC members' various demands, but still claims his committee did nothing wrong, saying the payments to Gimpel were donations to help needy children. "We made contributions out there as a part of the Olympic family," Welch said.

Salt Lake's purge is vital for the embattled 2002 Games. Organizers are still more than \$300 million short of meeting their budget commitments, and they hope much of that will come from sponsors. One major sponsor, the telecommunications firm U.S. West at last, delayed a scheduled \$7.5-million payment to Salt Lake, and the committee contacted by Maclean's though still supportive in principle, and they too, were eager to see that the mess was cleaned up. "We are pleased the IOC is taking appropriate steps to bring the situation under control," said Jack Scott, director of communications for Kodak Canada. "We look forward, with tremendous interest, to the eventual outcome." They are not alone.

JAMES DEANCOX and SUSAN MACLELAND  
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## Help for the damaged heart

A pump approaches human trials

**B**efore the end of this year, Ottawa heart surgeon Dr. Wilbert Koen hopes to open the chest of a patient whose heart has reached a state of "terminal failure" and install a shiny plastic-covered object a little larger than a man's fist. If all goes well, the implanted device will not only save the recipient's life, but allow that person to resume most normal activities. Like similar devices currently under development in the United States, the Canadian-developed HeartSaver is designed to be fully implantable and permanent—a one-pound, high-tech package that will perform some of the vital blood-pumping functions for a natural heart that is too badly damaged to keep on beating by itself.

The product of two decades of research and more than \$50 million invested by the Ottawa-based World Heart Corp., the technology could prolong the lives of millions. Currently, only two possibilities face most patients in the final stages of heart failure—a heart transplant, or death. But transplants depend on an uncertain supply of organs. And in Canada—whose citizens are notoriously reluctant to



Muscarelli (center) and Koen with "Dave," the first permanent heart implant

that most frequently went out—to the rest of the body. Four U.S.-made machines already on the market can provide short-term help to damaged hearts, either by bypassing them pumping while their owners wait for transplants, or by giving short-term support while an organ recovers from damage or heart attack. Several of those firms are developing fully implantable versions similar to HeartSaver, and one is currently undergoing clinical trials.

donate organs—doctors performed only 206 heart transplants in 1997. More than 45,000 Canadians die of heart failure each year; the annual global death toll is about five million. "The worldwide demand for this product," predicts Toby Muscarelli, the medical engineer who spearheaded development of the device, "will be huge." Michael Lerner, an analyst at Toronto-based Scotia Capital Markets, estimates that global sales of a successful device like HeartSaver could total as much as \$5 billion annually.

The HeartSaver is basically a pump that can take over the job of forcing oxygen-rich blood from a damaged organ's left ventricle—the quadrant of the heart with the heaviest workload and the one

HeartSaver—officially the HeartSaver VAD (for ventricular assist device)—has several advantages over its competitors. One is that, unlike its rivals, HeartSaver does not have power and communication lines protruding from the user's skin, posing a constant infection risk. HeartSaver's power, from a battery worn on a belt or shoulder strap, flows magnetically from a disk on the patient's chest to a matching disk inside the chest. The disks also transmit data communications through the skin. A HeartSaver user who wants to shower, bathe or swim can remove the external battery—an internal battery with a one-hour power supply takes over. "People will be able to go back to work, play tennis and have a

nearly normal life expectancy," says entrepreneur Rod Bryden, the corporation's chairman and CEO. The HeartSaver system includes a machine-sized transmitter that can relay a steady stream of data on the patient's condition. In November, World Heart officials at a medical conference in Düsseldorf, Germany, showed how they could monitor and adjust a HeartSaver worn by a dummy named Dave. Dave lies away in Ottawa.

If the device works in humans, it will fill a dream of the 60-year-old Koen has pursued since his student days in the early 1960s at Montreal's McGill University. As director of the University of Ottawa Heart Institute, Koen set up a team in 1988 to develop a permanent, fully implantable VAD, and named Muscarelli as its leader. To put the project on a commercial footing, Koen enlisted Bryden, who set up the World Heart Corp. in April, 1990, and began raising badly needed financing. (World Heart shares trade on the Toronto Stock Exchange, and the U.S.-based Nasdaq network.) HeartSaver is expected to sell for about \$60,000, compared with the \$65,000 cost of a heart transplant.

So far, HeartSaver has been successfully tested for short periods only in calves. Currently, Muscarelli's team is carrying out a new series of animal trials that will run until October, and if Health Canada gives the go-ahead, the first test on a human could take place in December. If that is a success, company officials expect the device could proceed rapidly to a full-scale clinical trial, with several hundred HeartSaver implants in Canadian and European recipients by the end of 2000. Koen, meanwhile, is looking ahead to another stage in his vision, in which the HeartSaver technology would become the basis for an artificial heart to completely replace failed human hearts. But still, cautious Koen, well-versed in how well HeartSaver performs during the first crucial tests of its ability to prolong the lives of people for whom time has almost run out.

MARK NICHOLS

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## Films

### Brazilian brilliance

CENTRAL STATION

Directed by Walter Salles

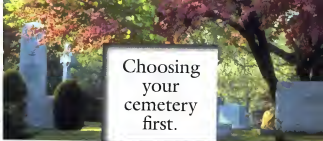
Very few subtitled films break through the language barrier to capture North American hearts and minds. But here is one that has what it takes: Winning plots and charming performances at film festivals from Berlin to Toronto, *Central Station* is a road movie with universal appeal. Elegantly filmed by Brazilian director Walter Salles, it features a knockout performance by veteran actor Fernando Miquelengo. And in Vinícius de Oliveira he has a remarkable co-star: he was a 10-year-old abandoned boy when Salles recruited him.

*Central Station* is the story of an incredible old woman and a motherless child who learn to love each other as an odyssey that takes them from Rio de Janeiro to Brazil's rural frontier. Dona Macabete is a cynical cruise, a former schoolteacher who spends her days in Rio's train station, writing letters for illiterate customers. They pay her extra to read them. After work, sitting through the letters in her apartment with a neighbour, she throws most of them out, keeping only those she deems worthwhile.

But one day one of her customers, a single mother, is killed by a bus outside the station. She has just dictated a letter to the estranged father of her nine-year-old, Jonas (de Oliveira), asking him to be a care for the child. Reluctantly Dona takes charge of the boy. First, she sells him to an adoption agency. Then, alarmed that it might be a fraud for some mother-child welfare ring, she steals him back. And, although she has lost his trust, together they set off on a fruitless search for the boy's father.

There are suggestions of a spiritual quest—the elusive father is a carpenter named Jesus. But Salles, a former documentary director, provides the story's sensibility in evocative images of Brazil's social fabric—from the streets of Rio, where police shoot down a vigil for petty theft, to an exotic hinterland where peasants worship the Virgin Mary in candlelit caravels and instead, loves pop out of an empty place. The tale of two hardened souls trying to connect in a heartless world, *Central Station* relies on compassion, realism and optimism with a magic that Hollywood contrivedly tries, and fails, to imitate. It is a wonderful film.

BRIAN D. JOHNSON



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## Obituary

### Perpetual outsider

Canada loses a writer the world could claim

In Brian Moore's novels, novels as a virtue, and it was part of his gift to show how much courage and luck it took just to get from day to day that last week, the celebrated, 77-year-old author of *The Lonely Passion of Judith Hearne*, *Black Robe*, *The Magdalen's Wife* and 16 other novels lost his own years-long struggle with pulmonary disease. Moore's death at his seaside home in Malibu, Calif., is a blow not only to his international readership, but to the many writers who admired his superbly crafted tales. "He wrote some wonderful books, he never rejected himself and he had an astonishing range," says his longtime friend, Canadian novelist Mordecai Richler. "The country has lost a major writer."

Richler's readiness to claim Moore for Canada confirms a long debate that will no doubt intensify with his death. At least three nations can make the argument that the Dublin-born Moore is theirs: Ireland, where his books were once banned; Canada, where he lived for 12 years after immigrating as a young man in 1946; and the United States, his home for most of his adult life. Moore himself always favoured his Canadian connection. He carried a Canadian passport, frequently put Canadian characters in his novels and married every summer holiday with his second wife, Jean, in her native Nova Scotia. "It was in Canada that I found a place, a peace in which I could write, a calm I had found nowhere else," he told a Toronto audience at a tribute two years ago. "There's something in this huge, empty landscape just humming that which invades me and my creative life."

Moore was this country's Governor General's Award twice for his masterpiece tale of an Irishman in Montreal, *The Luck of Ginger Coffey* (1968), and for his book of experimental stories, *The Great Pretorian Collection* (1976). Personalists questioned the second award, since by the time he won it Moore had been living for 25 years in the United States. But he was truly an international author, a perpetual outsider who travelled widely and set his books in such diverse locales as Ireland,



Moore, lover of Irish legends, sex-war and French magicians

Pelou, Algeria and Haiti. He seemed equally at home writing about Irish legends, the Normans or French magicians, or depicting a mastery of several genres, from thriller to historical fiction.

Moore's very versatility may have limited his audience, for he never created a readily identifiable fictional world in the manner of Graham Greene, who once called Moore "my favourite living novelist." Yet his books have taken on in Montreal, from a masterfully understated prose style to an entertainer's eye for detail to the main action. But what elevates them is Moore's profound sympathy for the moral struggles of his main characters. Toronto critic Robert Fulford believes this talent may be traced to Moore's Catholic upbringing in Belfast, where he was born into a large, middle-class family in 1921. "He may

have rejected the church and the form of education it gave him," Fulford says of the professionally agnostic Moore, "but he absorbed the moral teaching of Catholicism and turned it to his own humanistic ends."

Convinced the Irish sheep of the family for his rebellious ways, Moore came to Canada on the trail of an older woman he was to live with the last year. After a spell as a clerk in a pet store construction camp, he went to

work as a reporter for the *Montreal Gazette*, where he was famous for the speed with which he turned out excellent copy. When a fellow journalist published a novel, Moore thought he could do better. He approached by grabbing out newspaper headlines. Then, when he was 30, he married Jacqueline Scully. They would have one son, Michael, gave up his day job and returned to a job in the insurance to write his first literary novel, *The Lonely Passion of Judith Hearne*, a painful, deeply sympathetic portrait of a Belfast spinster who has lost her faith. The book was rejected by a dozen American publishers before appearing in England in 1955 to rave reviews. It would become a classic (and a 1987 film starring Maggie Smith), establishing Moore as one of those rare rule authors who can write consistently from a female perspective.

When the book was finally published in the United States, it earned a \$5,000 Guggenheim Fellowship, which Moore and he could claim only if he moved south of the border (the foundation recently stated there was no such condition). He left Canada the next year in 1954. When his first marriage broke up, he married Jean Denner in 1967. In the mid-1960s, Alfred Hitchcock called Moore to California to write the screenplay for *Twin Peaks*. Moore, chilled, the results, and though he would write again for the screen (including *Black Robe* in 1981), he once compared the industry of scriptwriting to swimming. "I put nothing out of it except the money—like a chessman."

But Moore fell in love with the president of the California coast, and for the past 30 years he and Jean—who was with him when he first—lived in an isolated wood and stone house overlooking the Pacific. They were a close, intensely private couple who shared literary and film circles. "A novelist spends most of his days alone," Moore once said. Now, it has readers who are alone, a world where they can no longer look forward to thrilling new stories from Brian Moore.

JOHN HENRIE

# The ranting 'redneck'

Alberta Report's Ted Byfield preaches ultra-conservatism

BY BRIAN BERGMAN

In his heyday as founder and editor-in-chief of the fiery, ultraconservative *Alberta Report* newsmagazine, Ted Byfield was famous for his venomous rants and rages. As a firestorm approacher, he would pace the floor, railing at editors to get their copy in on time. In other fits of pique, Byfield has been known to rip telephones from walls and warn reporters that he would "run his fist up the ass" of the next one who failed to take decent photographs of interview subjects. In recent years, though, colleagues and friends have noticed distinct changes in Byfield's demeanor. Now 70 and marking the 25th anniversary of his Edmonton-based magazine, Byfield repeatedly acknowledges that he has indeed mellowed. "As you get older, you don't have the same energy to get mad," he says with the cheeky laugh that is a Byfield trademark. "Besides, you've seen that most of the things you put out about didn't matter anyway. They probably would have been resolved better if you hadn't blown up."

Mellowed, perhaps, but Byfield remains a salty-tongued, hard-drinking yet devout Christian who displays a direct wit usually lacking in many people half his age. At a time of life when he might reasonably be planning the next pleasure cruise, Byfield is instead riding out in many directions with new projects that promise to keep him occupied well into the next millennium. Starting his aging, he hopes to raise about \$2 million by selling shares in the *Alberta Report* on the public stock exchange. If the money materializes, he intends to bankroll another edition of the magazine, in Ontario, as well as a 40-volume book series on the history of Christianity, which he will edit and help to write. He will also continue to pen two columns a week for his own magazines and another for the *Sun* newspaper (than, *Could he be, he is asked, that he wants to keep so busy that God will let him hang around a bit longer?* Byfield does not dismiss the notion. "You try to negotiate with him," he says, laughing again, "but, you know, he's really unreasonable.")

By any standard, the Toronto-born Byfield has enjoyed a remarkable career. It began at 15, when he joined his parents, who had moved to Washington, and got a job as a copy boy at *The Washington Post*. Byfield recalls it kindly as an era when almost everyone in the



newsmen smoked and liquor bottles graced many an editor's desk. He got his first big break after reading an account of a Brooklyn, N.Y., even today at times with western pretensions. Circulation flew by the way of a weekly average of 50,277 in Alberta in early 1985. In recent years, though, Byfield's magazines have become less relevant to know why he didn't, the driver simply replied: "Ask the postal and, if anything, even more conservative. Mainstream see at the bus depot, they'll understand it." "The drivers all said, 'I've logically driven private cars since I've been in the industry because of the analysis who ride buses,' and then went into all their beliefs about passengers, which were actually quite funny," recalls By-

field. The story on page 6, something Byfield still describes as "the biggest thrill of my life."

Byfield returned to Canada in 1944, where he worked at *The Ottawa Journal* and the *Toronto Daily Press* before heading west in 1952 to join the *Windsor Free Press*. His column earned a reputation as a balanced and aggressive reporter who, among other exploits, once crashed into an air conditioning duct to eavesdrop on a secret Winnipeg city council meeting and got the scoop on a scam involving civic lands.

About the same time they moved west, Ted and his wife, Virginia—a fellow reporter whom he married in 1949 and with whom he has raised six children—began to read and be influenced by a number of Christian writers, including C. S. Lewis and G. K. Chesterton. The son of a nominally Anglican mother and a father who was an avowed atheist, Byfield took to religion as he did to most things—very, very fast. Along with other performers at St. John's St. John's Cathedral, he helped found a private school for boys. In 1963, he left journalism to become a history teacher at the school. Six years later, he moved to Edmonton to develop a second St. John's school.

In 1973, Byfield struck upon a way to combine his love of the news business with his desire to proselytize. He launched the *Saint John's Evening Report*, a regional weekly newsmagazine modelled on the format of *Time*. The result was a curious mix of the pious and the profane. The magazine merely missed an opportunity to rail against homosexuals, abortionists, human rights commissions and the public consensus system, but it also displayed an unlikely fascination with prostitution and particularly with murder cases. A since publication began in Calgary in 1977, and the two were merged into *Alberta Report* in 1979. A later attempt to launch a national magazine for all four western provinces failed and was scrapped in favour of restating the *Alberta Report* and launching the *B.C. Report*, which first appeared in 1980.

In the early years, Byfield's magazines, like the schools, were operated by a lay order of the Anglican Church. All employees earned \$1 per day, plus living expenses, and were housed in a communal apartment block where they attended morning and evening chapel services. They worked exclusively nine more to three. Byfield, who once left sitting over his head at Edmonton winter after working 70 hours straight. The writer asked him to leave, saying he would give the place a bad name.

Unlike its strict enough qualified journalists, Byfield eventually moved the magazines onto a more commercial footing and started paying regular wages. The advent of *Alberta Report* coincided with the province's energy boom again. Oilmen, and Byfield soon became the guru of regional discontent.

Byfield moved at times with western pretensions. Circulation flew by the way of a weekly average of 50,277 in Alberta in early 1985. In recent years, though, Byfield's magazines have become less relevant to know why he didn't, the driver simply replied: "Ask the postal and, if anything, even more conservative. Mainstream see at the bus depot, they'll understand it." "The drivers all said, 'I've logically driven private cars since I've been in the industry because of the analysis who ride buses,' and then went into all their beliefs about passengers, which were actually quite funny," recalls By-

## A BLACK-AND-WHITE WORLD

In Ted Byfield's written world, there are no shades of gray—just bold assertions of right and wrong, good and evil. A sampling of opinions from his columns over the past 25 years.

"If adultery or homosexuality is wrong in the sight of God, then all the task forces in Christendom aren't going to make it right. If God is timeless and changeless, then human conduct considered wrong in the eighth century is just as wrong in the twentieth."

—April 4, 1980

"The sordid spectacle of uncontrollable crime—the daily routine of rape, murder, burglary, mugging, armed robbery and assault—evidence a simple fact: our system of benevolent criminal justice does not work. It is, in fact, a disaster."

—July 6, 1985

"We do not think government is a good thing. We do not believe government, or anything like the present scale is even a necessary thing. We believe government, or what it has turned into, to be an actively evil thing."

—Dec. 20, 1983

BYFIELD'S VIEW OF THE 1970S-1980S: CONSERVATIVE MAGAZINE

COVER PHOTO: JAMES

Alberta also declined during that period, but at a slower rate of 11 per cent, to \$5,174 from 60,000. Byfield says Alberta's recession of the late 1980s forced the magazine to write increasingly to the true believers willing to pay for it. The risk, he acknowledges, is ending up "preaching to the converted."

For all that, the survival of the publication for 25 years is testament to the resolve of its founder. He is a man of fascinating contradictions. A stern foe of gay rights, Byfield has, over the years, befriended homosexuals and given them senior positions at his magazines. Famous for leading a helpful hand to people down on their luck, he can also be remarkably ruthless about firing or reassigning staff. Stephen Hopkin, who served for 14 years as a reviewer, editor and assistant-in-chief at *Alberta Report*, and who counts himself among Byfield's admirers, admits to a list of seemingly conflicting adjectives to describe his former boss. On the one hand, says Hopkin, Byfield is "compassive, compassionate, generous and charming." On the other, he can be "authoritarian, sarcastic, manipulative and stubborn."

Whether his shortcomings, Byfield remains a force to reckon with in the West. In his back-page magazine columns (recently collected in a volume entitled *The Death of Ted Byfield* from an *Afterthought*), he posed an early champion of causes that have since become much more mainstream—including balanced budgets, back-to-basics education and tougher sentences for young criminals. He played a pivotal role in creating and promoting the Reform party, and delivered the keynote address at its founding conference in 1987. He also supports the current drive to make the right-to-life only one of the rights on the right's agenda. He has even been known to support the right to life.

Over the past decade, Byfield has gradually relinquished the day-to-day editing and publishing duties of his magazines in his 67-year-old son, Lark, turning himself to take on new challenges. For relaxation, he spends six afternoons each week walking for five hours straight—usually in the direction of his favourite Edmonton tavern. On these he has no intention of doing in person. "What the hell would be the point?" he barks. "What would I do?" For Ted Byfield, work is all day.

# Alan Fotheringham

## Behold the Y2K bug—revenge of nerds and geeks

Some three or four years ago, your humble agent, while sharing one evening with his long-suffering wife, was listening eagerly to the Peter Gouwala Show that apparently was called *Misconception* (tell me if you arranged old bug-ger). There was some guy on it talking nonsense.

He was saying that if the wife of some Toronto executive happened to be in Macao over visiting her mother on Jan. 1, 2000, several things would happen. She wouldn't be able to fly home because the planes wouldn't work. She wouldn't be able to tell phone her husband to tell him that the planes wouldn't fly because the phones wouldn't work any more.

She couldn't fax him, for the same reason that the planes and the phones didn't work. In the end, this nut told the disbelieving Gouwala, this woman would have to go down to Greyhound and get on a bus. In four days, she would arrive in Toronto, the wacky old bug being the only thing still operating in the world.

We all know now, and every news editor in the realm is going to base a lawsuit—the million-buck bug. The Y2K syndrome. The world is going to shut down because some computer geeks in some speck of the 39 from 2000 saw at the end of midnight on Dec. 31 the computers that run our lives will go kaplooie and burn.

The nut who was talking on Gouwala that morning lives in Birmingham, a slurb town on the outskirts of Toronto. The reason he lives in Birmingham is because it is closer by foot to the Toronto airport. The reason that he wants to be close to the airport is because he is now a multimillionaire, thanks to the 65 speeches he makes a year over the globe telling people what he told the astonished Gouwala that morning while he was shoving and shaking him a little. He's the New York Times columnist "the Paul Harvey for the year 2000 computer crisis." His name is Peter de Jager, born in South Africa, an enormous belly, a computer consultant who has known about the problem since the 1970s. He now makes \$1 million a year telling people what he told Gouwala and the CBC for nothing.

What is most interesting in this insane mess, besides, only on by our best and brightest, is the business and stupidity that brought it all about. One of my most delightful discoveries is that two high

executives of one of Canada's Big Five banks—assigned to supervise the Y2K problem—have both sold their homes and got all their money into gold.

One of the best journalists in the United States of America, Robert Sam Anson, spent six months researching the Y2K mystery plot and traced it, in *Hardy Harv*, back to source. The villain? Basically IBM, once the master of our future, (please) the politicians to Clinton who wouldn't listen to the warnings given them long ago.

The first IBM computer programmer, trying to squeeze as much information as possible, reduced dates from eight digits to six, by chopping off the 19 from the year. Thus, which no one important in the 1950s bothered to think about, a computer on Jan. 1, 2000, would "interpret" the date as 1900.

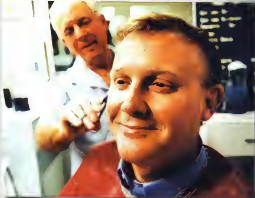
What seems so obvious now escaped even the brightest minds then. Our guy admits "I used to write those programs back in the '60s and '70s, and was so proud of the fact that I was able to squeeze a few elements of space by not having to put 19 before the year." His name is Alan Gougeon, now the most powerful economic figure on the globe as chair man of the U.S. Federal Reserve. Robert Bremer, an IBM wizard, spotted the problem in the 1950s. He tried to warn the White House, but, as Anson reports, the only opinion that mattered was the department of defense, the largest computer spender on earth. The Pentagon was indispensable on the subject of year close no 20s. Harry White, a computer specialist who tried to support Bremer said "They were more occupied with Vietnam."

Bremer in desperation in 1959 got to Richard Nixon's presidential science adviser to plant the case in person. Nixon loved him and then asked for his thing but TV set. In 1980, William Schoer, a Detroit programmer, stumbled upon the date problem. He invented a 1995 solution and set up a company to peddle it. It had two sales.

By 1986, Senator Daniel Patrick Moynihan, the New York intellectual who still writes on a typewriter, had the problem explained to him over lunch and easily recognized it as "the real-core disease for the computers of the world." He wrote to Clinton who as it happened it was, was, more interested in other matters. Moynihan introduced bills calling for a Y2K cure. The legislation went nowhere, long after as Moynihan, in 1993, 94-year-old Mary Thayer was ordered to report to kindergarten after a computer took her 1988 birth date to mean she was 101 years old.

What we have here is the hilarious arrogance of intelligence. Just as basic presidents today boast that they don't touch computers (that's what secretaries are for), the senior people at the birth of computers left it all to the nerds and geeks who never thought 2000 would ever arrive.

Those who had wisdom left it all to those who had not yet acquired it.



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